



ans 4/30

STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
500 JAMES ROBERTSON PARKWAY
NASHVILLE, TN 37243-1131

April 01, 2009

Valley Forge Ins Company
333 South Wabash, 43S
Chicago, IL 60604
NAIC # 20508

CERTIFIED MAIL
RETURN RECEIPT REQUESTED
7008 1830 0000 6982 5287
Cashier # 2453

REC'D APR 9 2009

Re: Samir Alniswan Dba Beauty Supply V. Valley Forge Ins Company

Docket # Ct-001482-09

To Whom It May Concern:

We are enclosing herewith a document that has been served on this department on your behalf in connection with the above-styled matter.

I hereby make oath that the attached Breach Of Contract Complaint was served on me on March 31, 2009 by Samir Alniswan Dba Beauty Supply pursuant to Tenn. Code Ann. § 56-2-504 or § 56-2-506. A copy of this document is being sent to the Circuit Court of Shelby County, TN.

Brenda C. Meade
Designated Agent
Service of Process

Enclosures

cc: Circuit Court Clerk
Shelby County
140 Adams Street, Rm 324
Memphis, Tn 38103

Service of Process 615.532.5260

Exhibit 1



IN THE CIRCUIT COURT OF SHELBY COUNTY, TENNESSEE
140 ADAMS AVENUE, MEMPHIS, TENNESSEE 38103
FOR THE THIRTIETH JUDICIAL DISTRICT AT MEMPHIS
SUMMONS IN A CIVIL ACTION

COPY

NO. CT-001482-09 AD DAMNUM \$ _____ AUTO _____ OTHER _____

SAMIR ALNISWAN, d/b/a
BEAUTY SUPPLY & CELLULAR WIRELESS

Plaintiff(s),

vs.

VALLEY FORGE INSURANCE COMPANY, d/b/a
CNA INSURANCE COMPANY

Defendant(s)

To the Defendant: **VALLEY FORGE INSURANCE COMPANY d/b/a CNA INSURANCE COMPANY**
C/O TENNESSEE COMMISSIONER OF INSURANCE
500 JAMES ROBERTSON PKWY, 5TH FLOOR
NASHVILLE, TN 37243

You are hereby summoned and required to defend a civil action by filing your answer with the Clerk of the Court and serving a copy of your Answer to the Complaint on Kevin A. Snider of Snider & Horner, PLLC, Plaintiff's attorney, whose address is Corporate Gardens, 9056 Stone Walk Place, Germantown, Tennessee 38138 within THIRTY (30) DAYS after this summons has been served upon you, not including the day of service. If you fail to do so, a judgment by default may be taken against you for the relief demanded in the Complaint.

TESTED AND ISSUED

3/27 2009 By JIMMY MOORE, Circuit Court Clerk _____ D.C.

TO THE DEFENDANT(S):

Pursuant to Tennessee Code Annotated Section 26-2-114, you are hereby given the following notice: Tennessee law provides a four thousand dollar (\$4,000.00) debtor's equity interest personal property exemption from execution or seizure to satisfy a judgment. If a judgment should be entered against you in this action and you wish to claim property as exempt, you must file a written list, under oath, of the items you wish to claim as exempt with the Clerk of the Court. The list may be filed at any time and may be changed by you thereafter as necessary; however, unless it is filed before the judgment becomes final, it will not be effective as to any execution or garnishment issued prior to the filing of the list. Certain items are automatically exempt by law and do not need to be listed; these include items of necessary wearing apparel (clothing) for yourself and your family and trunks or other receptacles necessary to contain such apparel, family portraits, the family Bible, and school books. Should any of these items be seized, you would have the right to recover them. If you do not understand your exemption right or how to exercise it, you may wish to seek the counsel of a lawyer.

COST BOND

I hereby acknowledge and bind myself for the prosecution of this action and payment of all costs not to exceed \$500.00 in this court which may at any time be adjudged against the Plaintiff(s) in the event the said Plaintiff(s) shall not pay the same.

Witness my hand this _____ day of _____, 20____.
 Certification when applicable

I, JIMMY MOORE, Clerk of the Circuit Court, Shelby County, Tennessee
 Certify this to be a true and accurate copy as filed this 3/27/09

 KEVIN A. SNIDER of Snider & Horner, PLLC

JIMMY MOORE, Clerk - By _____, D.C.

Apr-02-09 10:12am From-CIRCUIT COURT

9015453952

T-599

P.002

F-292

**IN THE CIRCUIT COURT OF SHELBY COUNTY, TENNESSEE
FOR THE THIRTIETH JUDICIAL DISTRICT AT MEMPHIS**

FILED
MAR 27 2009
CIRCUIT COURT CLERK
BY *[Signature]* D.C.

**SAMIR ALNISWAN
d/b/a BEAUTY SUPPLY & CELLULAR WIRELESS,**

Plaintiff,

VS.

18031

**No. CT-001482-09
Division: VI
JURY DEMANDED**

**VALLEY FORGE INSURANCE COMPANY d/b/a
CNA INSURANCE COMPANY,**

Defendant.

COMPLAINT FOR DAMAGES

COMES NOW Plaintiff, Samir Alniswan d/b/a Beauty Supply & Cellular Wireless, by and through his legal counsel of record, Kevin A. Snider of Snider & Horner, PLLC, and files his complaint for damages and states to this Honorable Court as follows:

JURISDICTION AND VENUE

1. Plaintiff, Samir Alniswan d/b/a Beauty Supply & Cellular Wireless (hereinafter referred to as "Plaintiff"), is an adult citizen and resident of Shelby County, Tennessee, and a majority owner of Beauty Supply & Cellular Wireless.

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F-292

2. Defendant, Valley Forge Insurance Company d/b/a CNA Insurance Company (hereinafter referred to as "Defendant"), is a for-profit organization that does not properly exist pursuant to the laws of the State of Tennessee, but is doing business in Shelby County, Tennessee and may be served with service of process through the Tennessee Commissioner of Insurance at 500 James Robertson Parkway, 5th Floor, Nashville, Tennessee 37243.

3. Jurisdiction and Venue in the instant case are properly found in Shelby County, Tennessee, pursuant to T.C.A. § 20-4-101 and related sections.

FACTUAL ALLEGATIONS

4. On or about October 31, 2008, Plaintiff and Defendant entered into a contract for insurance, Policy No. B 4012416029 (hereinafter referred to as the "Insurance Policy"), which was effective from October 31, 2008 to October 31, 2009 at 12:01 A.M. Central Standard Time. Said Insurance Policy was to insure Plaintiff's business personal property, business income, extra expenses, and/or actual losses in the amount of Nine Hundred Thousand Dollars (\$900,000.00) as amended on November 10, 2008. Documentation of Plaintiff's Insurance Policy with Defendant is collectively attached hereto as Exhibit "A".

5. In reliance on the above and under the terms and conditions of the Insurance Policy, Plaintiff thus far has paid the appropriate premiums to Defendant for the term of October 31, 2008 to October 31, 2009 at 12:01 A.M. Central Standard Time. Defendant in turn was to provide Plaintiff with insurance coverage under the terms and conditions of said Insurance Policy as outlined hereinabove.

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6. At all times pertinent herein, Plaintiff has been current in paying the premiums on said Insurance Policy and thus far has complied in good faith with all of the terms and conditions of said Insurance Policy.

7. On or about December 31, 2008, a fire occurred at the insured premises located at Beauty Supplies & Cellular Wireless, 1330 Jackson Avenue, Memphis, Tennessee 38107. Said fire completely destroyed Plaintiff's business and its contents for which he has and continues to make a claim. In support of this claim, the Plaintiff's business balance sheets and statement of revenues and expenses are collectively attached hereto as Exhibit "B".

8. Plaintiff timely reported and/or filed his insurance claim with Defendant for the total destruction of his business property by the fire as is required by the Insurance Policy and complied with many, if not all, of the rigorous requirements and demands provided by the terms and conditions of the Insurance Policy in regard to said claim.

9. On or about January 16, 2009, the Plaintiff, through his lawyer, sent Defendant a demand letter specifically requesting that the claim be paid. A copy of said letter is attached hereto as Exhibit "C".

10. Some time later and apparently only after a second letter from the Plaintiff, the Defendant finally responded and requested additional information. This information, together with the requested Sworn Statement in Proof of Loss was returned to the Defendant in a very quick period of time. A copy of said letter and statement is attached hereto as Exhibit "D".

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11. Thereafter, the Defendant once again continued a series of unexplained delays and unresponsiveness in this matter, even refusing or failing to respond to the Plaintiff's requests for weeks at a time. Finally, on or about March 12, 2009, the Plaintiff, through his lawyer, sent another letter to the Defendant ONCE AGAIN requesting payment in this matter and confirming, in writing, that the Plaintiff had provided all documentation that it had.

12. To this day, Defendant has refused and/or otherwise failed to pay for Plaintiff's insurance claim for lost business personal property, lost business income, extra expenses, and actual losses, such as obliterated signs, computers, etc. sustained by the fire. In fact, Defendant has refused even to provide any advance which has essentially "put Plaintiff out of business."

13. Moreover, Defendant has given Plaintiff no written communication as to why neither any advance nor any other form of payment has been made other than to repeatedly state that the investigation is "ongoing" with no apparent end in sight. More importantly, the Plaintiff has provided any and all documents (that is can reasonably obtain) requested by the Defendant which apparently is not good enough in that the Defendant has refused and/or failed to even advise the Plaintiff as to how long their "ongoing investigation" will take.

14. The Plaintiff would aver that the Defendants actions and/or omissions are willful and intentional and/or are tantamount to reckless indifference in that the Defendant has essentially put the Plaintiff out of business by the Defendant's delays and unresponsiveness.

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FIRST CLAIM – BREACH OF CONTRACT AND/OR INSURANCE POLICY

15. The allegations of all other paragraphs and claims in this pleading are incorporated as if fully rewritten herein.

16. This claim is for breach of contract against Defendant.

17. Plaintiff has dutifully performed all of the terms and conditions of the above-cited Insurance Policy on his part by staying current with his payment of insurance premiums and by following the Insurance Policy's terms and conditions to provide requested information in order to have the insurance claim successfully satisfied.

18. Defendant has breached their obligations under the Insurance Policy by denying, failing, and/or refusing to do the following:

A. Pay Plaintiff's insurance claim for lost business personal property, lost business income, extra expenses, and actual losses sustained by the fire so as to render Plaintiff's business inoperable and unprepared to reopen shop.

B. Perform the foregoing actions in a timely and/or thorough manner.

19. As a sole, direct, and proximate cause of Defendant's breach of contract, Plaintiff has and continues to incur substantial damages.

SECOND CLAIM – FRAUD AND/OR MISREPRESENTATION

20. The allegations of all other paragraphs and claims in this pleading are incorporated as if fully rewritten herein.

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21. Defendant, their agents, employees, and/or other individuals acting on their behalf engaged in fraud and/or misrepresentation when they represented to Plaintiff that they would pay an insurance claim for lost business personal property, lost business income, extra expenses, and/or actual losses sustained by the fire, which fall within the scope of Plaintiff's Insurance Policy when, in fact, Defendant has failed and/or refused to pay for the aforementioned losses.

22. Defendant, their agents, employees, and/or other individuals acting on their behalf engaged in fraud and/or misrepresentation when they represented to Plaintiff that they would perform their obligations under the Insurance Policy in a timely and/or thorough manner when, in fact, they still have failed and/or refused to perform any of said obligations under the parties' agreement.

23. Defendant, their agents, employees, and/or other individuals acting on their behalf engaged in fraud and/or misrepresentation when they made the false representation to Plaintiff that their goods and/or services had the sponsorship, approval, characteristics, uses, benefits, and/or qualities that they do not have.

24. Defendant, their agents, employees, and/or other individuals acting on their behalf engaged in fraud and/or misrepresentation when they represented to Plaintiff that their goods and/or services were of a particular standard, quality, and/or grade which they do not possess.

25. Defendants, their agents, employees, and/or other individuals acting on their behalf engaged in fraud and/or misrepresentation when they made the false representation to Plaintiff that this business transaction conferred or involved rights and remedies which it did not have or involve.

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26. Defendant's actions were intentional, willful, malicious, and/or reckless and entitle Plaintiff to punitive damages. Defendant knew of the foregoing falsehoods and made them recklessly with the intent to deceive Plaintiff and to induce him into entering into a commercial insurance policy that would not honor claims filed for losses, damages, and/or destruction resulting from a fire to the insured's commercial premises.

27. Alternatively, Defendant's actions and/or omissions were negligent in that Defendant failed to exercise due care and should have reasonably foreseen that their herein-stated actions and/or omissions would harm or damage Plaintiff fiscally.

28. As a sole, direct, and proximate cause of Defendant's actions and/or omissions, Plaintiff has and continues to incur substantial damages.

**THIRD CLAIM – VIOLATIONS OF THE TENNESSEE CONSUMER
PROTECTION ACT**

29. The allegations of all other paragraphs and claims in this pleading are incorporated as if fully rewritten herein.

30. This claim is for violations of the Tennessee Consumer Protection Act of 1977 as stated in T.C.A. § 47-18-101, et seq. (hereinafter referred to as the "Consumer Act") by Defendant and/or their agents, employees, and/or other individuals acting on their behalf.

31. As a result of the above, inter alia, Defendant committed one or more unfair and/or deceptive acts/practices in violation of the Consumer Act in one or more of the following ways:

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A. By falsely representing to Plaintiff that Defendant would pay for an insurance claim for lost business personal property, lost business income, extra expenses, and/or actual losses sustained by the fire pursuant to Plaintiff's Insurance Policy; and/or

B. By denying, failing, and/or refusing to fully cover Plaintiff's insurance claim for lost business personal property, lost business income, extra expenses, and/or actual losses sustained by the fire to Plaintiff's business; and/or

C. By falsely representing to Plaintiffs that Defendant would perform their obligations as insurer under the Insurance Policy in a timely and/or thorough manner; and/or

D. By failing and/or refusing to perform their obligations as insurer under the Insurance Policy in a timely and/or thorough fashion; and/or

E. By misrepresenting to Plaintiff that Defendant's goods and/or services had the sponsorship, approval, characteristics, uses, benefits, and/or qualities that they do not have; and/or

F. By misrepresenting to Plaintiff that Defendant's goods and/or services were of a particular standard, quality, and/or grade; and/or

G. By misrepresenting to Plaintiff that this business transaction conferred or involved rights and remedies which it did not have or involve; and/or

H. By other acts and/or omissions previously described above which are deceptive to the consumer or to any other person.

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32. As a result of Defendant's intentional, willful, and/or knowing violations of the Tennessee Consumer Protection Act, Plaintiff has and continues to incur substantial damages, and Defendant is liable to Plaintiff in the sum of three (3) times his actual damages, reasonable attorney fees, and costs of litigation.

FOURTH CLAIM – BAD FAITH REFUSAL TO PAY CLAIM

33. The allegations of all other paragraphs and claims in this pleading are incorporated as if fully rewritten herein.

34. Plaintiff duly performed the terms and conditions of the Insurance Policy by timely paying premiums and providing information to Defendant pursuant to the terms and conditions of the Insurance Policy.

35. Defendant acted in bad faith in denying, failing, and/or refusing to timely and/or thoroughly pay Plaintiff's insurance claim for lost business personal property, lost income, extra expenses, and actual losses sustained by the fire pursuant to the Insurance Policy in violation of T.C.A. § 56-7-105 and related sections.

36. As a direct sole, direct, and proximate result of Defendant's untimely bad faith denial of Plaintiff's insurance claim regarding lost business property, lost income, extra expenses, and actual losses sustained by the fire, Plaintiff has and continues to incur substantial damages.

FIFTH CLAIM – DETRIMENTAL RELIANCE

37. The allegations of all other paragraphs and claims in this pleading are incorporated as if fully rewritten herein.

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38. Plaintiff, in reliance upon Defendant's misrepresentations surrounding their timely and/or thorough coverage of Plaintiff's insurance claim within the Insurance Policy limits for lost business personal property, lost business income, extra expenses, and/or actual losses sustained by the fire, applied for the Insurance Policy and spent thousands of dollars worth of money on business insurance premiums to protect his business in the event of a fire.

39. Believing in good faith that Defendant would timely and/or thoroughly cover Plaintiff's insurance claim within the limits of the Insurance Policy for lost business personal property, lost business income, extra expenses, and/or actual losses sustained by the fire, Plaintiff applied for the Insurance Policy through Defendant and spent thousands of dollars on business insurance premiums to protect his business in the event of a fire, which Plaintiff would not have done had Plaintiff known that Defendant would not timely and thoroughly honor the above insurance claim. Plaintiff's entering into an Insurance Policy with Defendant and payment of insurance premiums for said Insurance Policy, therefore, were to his detriment in that Defendant denied, failed, and/or refused to timely and/or thoroughly pay Plaintiff's insurance claim for above losses from the fire.

40. As a result of Defendant's inducing detrimental reliance on the part of Plaintiff, Plaintiff has and continues to incur substantial damages.

SIXTH CLAIM – UNJUST ENRICHMENT

41. The allegations of all other paragraphs and claims in this pleading are incorporated as if fully rewritten herein.

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42. Defendant, by the foregoing actions, has been unjustly enriched. More specifically, Defendant received substantial money from Plaintiff to which they have no claim at law or equity, and Plaintiff has received little or no benefit from his payment of business insurance premiums to protect said Plaintiff from fire losses.

43. As a result of Defendant's unjust enrichment, Plaintiff has and continues to incur substantial damages.

SEVENTH CLAIM – MONEY HAD AND RECEIVED

44. The allegations of all other paragraphs and claims in this pleading are incorporated as if fully rewritten herein.

45. At all times pertinent herein, Defendant received and/or used money under such circumstances that in equity and good conscience they ought not to retain it. As a direct and proximate cause therein, Defendant received thousands of dollars that they knew belonged to Plaintiff and that said Defendant had not earned for themselves and/or had been properly obtained.

46. As a result of Defendant's actions and/or omissions Plaintiff has and/or continues to incur substantial damages.

JURY DEMAND

Plaintiff demands a jury trial on all issues which may be determined by a jury.

Apr-02-09 10:14am From-CIRCUIT COURT

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WHEREFORE, PREMISES CONSIDERED, your Plaintiff prays:

1. That proper process be issued and served upon Defendant, requiring them to answer this Complaint for Damages within the time allotted by the Tennessee Rules of Civil Procedure.
2. That Plaintiff be awarded a judgment against Defendant in an amount of not less than \$1,500,000.00, or an amount to be more specifically proven either before or at trial.
3. That Plaintiff be awarded punitive damages against Defendant in an amount of not less than \$5,000,000.00 or an amount to be more specifically proven either before or at trial.
4. That Plaintiff be awarded treble damages at the maximum rate permitted by law against Defendant pursuant the Tennessee Consumer Protection Act.
5. That Plaintiff be awarded reasonable attorney fees against Defendant pursuant to the Tennessee Consumer Protection Act and/or the Bad Faith Act (as described above).
6. That Plaintiffs be awarded prejudgment interest at the maximum rate permitted by law against Defendant.
7. That Plaintiff be awarded discretionary costs as this Court deems appropriate.
8. That Plaintiff be awarded the court costs and other expenses of this action.
9. That Plaintiff be awarded such other and further relief to which he may be entitled by law.

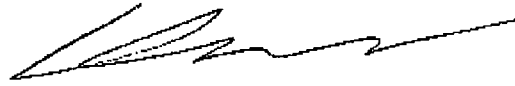
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Respectfully submitted,

SNIDER & HORNER, PLLC

A handwritten signature in black ink, appearing to read 'Kevin A. Snider', written over a horizontal line.

KEVIN A. SNIDER (B.P.R. #18231)

Attorney for Plaintiff

Corporate Gardens

9056 Stone Walk Place

Germantown, TN 38138

(901) 751-3777

Apr-03-09 10:19am From-CIRCUIT COURT

9015459952

T-602 P.002

F-311

Exhibit
A

F-311

CNA Connect

Endorsement Declaration

1. **THE STATE OF TEXAS, COUNTY OF DALLAS, ss. I, _____, Clerk of the County Court, do hereby certify that the within and foregoing is a true and correct copy of the original as the same appears from the records of the County Court of the County of Dallas, State of Texas.**

POLICY NUMBER	COVERAGE PROVIDED BY	FROM -	POLICY PERIOD -	TO
B 4012416029	VALLEY Forge INSURANCE COMPANY	10/31/2008	10/31/2009	
	333 S. WABASH			
	CHICAGO, IL. 60604			

INSURED NAME AND ADDRESS

Samir Alniswan dba Beauty Supplies & Cellular Wireless
1330 Jackson Avenue

MEMPHIS, TN 38107

AGENCY NUMBER
074982

AGENCY NAME AND ADDRESS

LIPSCOMB & PITTS INSURANCE LLC
2670 UNION AVE EXT STE 200
MEMPHIS, TN 38112
Phone Number: (901)321-1000

BRANCH NUMBER
390

BRANCH NAME AND ADDRESS

NASHVILLE BRANCH
26 CENTURY BLVD, SUI
P. O. BOX 305123
NASHVILLE, TN 37214
Phone Number: (615)886-3300

1. The first step in the process of identifying a problem is to recognize that a problem exists. This involves gathering information about the situation and identifying the specific issue that needs to be addressed.

This policy becomes effective and expires at 12:01 A.M. standard time at your mailing address on the dates shown above.

[illegible]

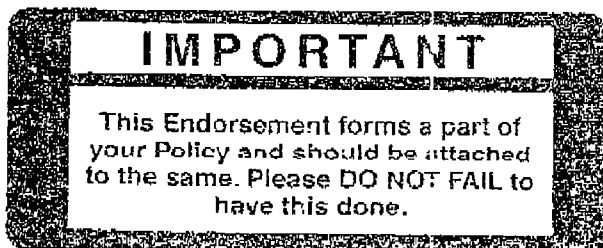
This endorsement changes your policy. Please read it carefully.

The Named Insured is a Corporation.

The Endorsement Premium Is \$1,938.00 ADDITIONAL

Terrorism Risk Insurance Act Endorsement Premium	\$38.00	ADDITIONAL
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Audit Period is Not Auditable



INSURED

Apr-03-09 10:19am From-CIRCUIT COURT

9015453952

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F-311

Apr-03-09 10:20am From-CIRCUIT COURT

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333 S Wabash
Chicago, Illinois 60604

Policy Number	From	Policy Period	To	Coverage Is Provided By	Agency
B4012416029	10/31/08	10/31/09		Valley Forge Insurance Company	074982390
Named Insured And Address				Agent	
SAMIR ALNISWAN DBA BEAUTY SUPPLIES & C				LIPSCOMB & PITTS INSURANCE LLC	
1330 Jackson Avenue				2670 UNION AVE EXT STE 200	
MEMPHIS, TN 38107				MEMPHIS, TN 38112	

** REVISED PAYMENT PLAN SCHEDULE **

THE BILLING FOR THIS POLICY WILL BE
FORWARDED TO YOU DIRECTLY FROM CNA.

THE PREMIUM AMOUNT FOR THIS TRANSACTION
IS \$1,938.00 .

THIS PREMIUM WILL BE INVOICED BY CNA ON
A SEPARATE STATEMENT ACCORDING TO THE
PAYMENT OPTION YOU SELECT.

ISSUE DATE 11/20/08

510280074582780000134841204471



Apr-03-09 10:20am From-CIRCUIT COURT

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T-602 P.006/047 F-311



November 11, 2008

Sam Alniswan
 Samir Alniswan dba Beauty Supplies &
 1330 Jackson Avenue
 Memphis, TN 38107

RE: Package Policy

Dear Sam:

Enclosed is a Statement of Values form that we have completed on your behalf. The value reflects the increase that you requested on November 10, 2008. The values shown on this form are the same values for which you are currently insured. You should review these values to make sure they adequately reflect the replacement cost of your property. When you sign the Statement of Values you are stating that the values submitted are correct to the best of your knowledge and belief. If you find that any adjustments to the values are necessary, notify our office immediately. Please sign the Statement of Values and return it to our office so we receive it by November 17, 2008. A postage paid return envelope has been enclosed for your convenience.

When you receive your policy you should review it carefully for coverages, limitations and exclusions. No coverage can be bound and no change can be made to your insurance program until verified by a licensed agent. The following is a list of some coverages that you do not have. These include but are not limited to: Bonds, Credit Insurance, Employee Benefits, Life/Health/Disability, Personal Insurance, Terrorism, Agreed Value, Aircraft/Watercraft, Antennas, Awnings, Brands & Label, Building, Builders Risk, Earthquake, Fence, Flood (including Backup of Sewers & Drains), Functional Replacement Cost, Legal Liability, Property of Others, Protective Safeguard, Selling Price Coverage for Stock, Sprinkler Leakage, Tanks, Underground Tanks, Rental Income, Contingent Business Income, Off-Premises Power Failure (including Overhead Transmission Lines), Premises Ingress / Egress, Loss of Income due to Civil Authority (including Premises Access), Computer Virus Random Attacks, E-Commerce, Boiler & Machinery, Computer Fraud, Employee Dishonesty - Personal Accounts, Third Party Crime, Cargo, Exhibition Floater, Installation Floater, Ocean Marine Cargo, Rented/Leased Equipment, Tool/Equipment Floater, Transit, Cyber Liability, Directors & Officers' Liability, Electronic Data Loss Liability, Employee Benefits Liability, Employment Practices Liability, Employment Practices Liability Third Party Coverage, Errors & Omissions Liability, Excess Liability, Fiduciary Liability, Foreign Liability, Kidnap & Ransom, Liquor Liability, Managed Care Liability, Mold, Fungus, Bacteria, Political Risk, Pollution Liability, Products Recall.

Apr-03-09 10:20am From-CIRCUIT COURT

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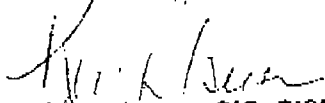
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Sam
November 11, 2008
Page 2

Professional Liability, Security and Privacy Insurance, StopGap Liability, Workplace Violence, Owned Auto Coverages, Workers' Compensation including U. S. L. & H. Endorsement. If you would like a quote on any of these coverages or have other insurance needs, contact your licensed agent, and we will be happy to assist you.

We trust the enclosed will be found in order, however if you have any questions or need any changes made, please do not hesitate to call.

Cordially,



Kris Roberson, CIC, CISR
Commercial Lines Account Manager

.KRR
Enclosure:

Apr-03-09 10:20am From-CIRCUIT COURT

9015453952

T-602 P.008/047 F-311

Print Date: 11/11/08

Statement of Values

Client Name and Address Samir Alniswan dha Beauty Supplies & 1330 Jackson Avenue Memphis, TN 38107		Company Continental Casualty Ins Policy Number BINDER114394 Effective Date 10/31/08 Expiration Date 10/31/09		Agency Name and Address Lipscomb & Pitts Ins., LLC 2670 Union Ave. Ext. Suite 200 Memphis, TN 38112			
Loc. #	Loc. #	Location Address / Building Description	Coverage	Value	Cause of Loss	Coins	Val
1	1	3099 Raleigh-Millington Road Memphis, TN 38128	Business Personal Property Business Income/Extra Expense/Actual Loss Sustained/12-Month Limit Total Value:	900,000	Special (Inc	100%	RC
		1 Beauty Supplies & Cellular Phones Store		900,000	Special (Inc		
		Grand Total Value:		900,000			
CISGEM C540		Page: 1 of 1	Insured's Signature/Title: <i>[Signature]</i>	Date: 11/11/08			

Apr-03-09 10:20am From-CIRCUIT COURT

9015453952

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BEAUTSUPP

ACORD INSURANCE BINDER		DATE 11/11/08	
THIS BINDER IS A TEMPORARY INSURANCE CONTRACT, SUBJECT TO THE CONDITIONS SHOWN ON THE REVERSE SIDE OF THIS FORM.			
PRODUCER Lipscomb & Pitts Ins., LLC 2870 Union Ave. Ext. Suite 200 Memphis, TN 38112	PHONE (AG No, Ext) 901-321-1000 FAX (AG No) 901-321-1099	COMPANY Continental Casualty Ins	BINDER # BINDER114394
CODE		DATE EFFECTIVE 10/31/08	DATE EXPIRATION 10/31/09
AGENCY CUSTOMER ID INSURED 19986 Samir Alniswan dba Beauty Supplies & Cellular Wireless 1330 Jackson Avenue Memphis, TN 38107		TIME 12:01	TIME 12:01 AM
SUB CODE		THIS BINDER IS ISSUED TO EXTEND COVERAGE IN THE ABOVE NAMED COMPANY PER EXPIRING POLICY	
		DESCRIPTION OF OPERATIONS/VEHICLES/PROPERTY (including Location) Loc#1: 3099 Raleigh-Millington Road, Memphis, TN 38128	

COVERAGES

LIMITS

TYPE OF INSURANCE	COVERAGE FORMS	DEDUCTIBLE	COINS %	AMOUNT
PROPERTY CAUSES OF LOSS BASIC BROAD <input checked="" type="checkbox"/> SPEC	Business Personal Property Business Income/Extra Expense/Actual Loss Sustained/12-Month Limit	500	100	\$645,000
GENERAL LIABILITY COMMERCIAL GENERAL LIABILITY CLAIMS MADE <input checked="" type="checkbox"/> OCCUR	See Spec. Conditions/Other Coverages RETRO DATE FOR CLAIMS MADE:	EACH OCCURRENCE DAMAGE TO RENTED PREMISES MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMPROP AGG		\$ 1,000,000 \$ 300,000 \$ 10,000 \$ 1,000,000 \$ 2,000,000 \$ 2,000,000
AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRD AUTOS NON-OWNED AUTOS		COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE MEDICAL PAYMENTS PERSONAL INJURY PROT UNINSURED MOTORIST		\$ \$ \$ \$ \$ \$ \$
AUTO PHYSICAL DAMAGE DEDUCTIBLE COLLISION OTHER THAN COLL	ALL VEHICLES SCHEDULED VEHICLES	ACTUAL CASH VALUE STATED AMOUNT OTHER		\$ \$ \$
GARAGE LIABILITY ANY AUTO		AUTO ONLY - EA ACCIDENT OTHER THAN AUTO ONLY EACH ACCIDENT AGGREGATE		\$ \$ \$ \$
EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM RETRO DATE FOR CLAIMS MADE		EACH OCCURRENCE AGGREGATE SELF INCURRED RETENTION		\$ \$ \$
WORKER'S COMPENSATION AND EMPLOYER'S LIABILITY		WC STATUTORY LIMITS EACH ACCIDENT BODILY INJURY & MEDICAL BODILY INJURY & MEDICAL		\$ \$ \$ \$
SPECIAL CONDITIONS/OTHER COVERAGES Samir Alniswan dba Beauty Supplies & Cellular Wireless (See attached Spec Conditions/Other Covs page.)		ESTIMATES (TOTAL) MIN		\$

NAME & ADDRESS

MONITORING	ADDITIONAL INSURED
LOSS PAYEE	
LOAN #	
AUTHORIZED REPRESENTATIVE <i>Matthew C. Lipscomb III</i>	

Apr-03-09 10:20am From-CIRCUIT COURT

9015453952

T-602 P.010/047 F-311

CONDITIONS

This Company binds the kind(s) of insurance stipulated on the reverse side. The Insurance is subject to the terms, conditions and limitations of the policy(ies) in current use by the Company.

This binder may be cancelled by the Insured by surrender of this binder or by written notice to the Company stating when cancellation will be effective. This binder may be cancelled by the Company by notice to the Insured in accordance with the policy conditions. This binder is cancelled when replaced by a policy. If this binder is not replaced by a policy, the Company is entitled to charge a premium for the binder according to the Rules and Rates in use by the Company.

Applicable in California

When this form is used to provide insurance in the amount of one million dollars (\$1,000,000) or more, the title of the form is changed from "Insurance Binder" to "Cover Note".

Applicable in Delaware

The mortgagee or Obligor of any mortgage or other instrument given for the purpose of creating a lien on real property shall accept as evidence of insurance a written binder issued by an authorized insurer or its agent if the binder includes or is accompanied by: the name and address of the borrower; the name and address of the lender as loss payee; a description of the insured real property; a provision that the binder may not be canceled within the term of the binder unless the lender and the insured borrower receive written notice of the cancellation at least ten (10) days prior to the cancellation; except in the case of a renewal of a policy subsequent to the closing of the loan, a paid receipt of the full amount of the applicable premium, and the amount of insurance coverage.

Chapter 21 Title 25 Paragraph 2119

Applicable in Florida

Except for Auto Insurance coverage, no notice of cancellation or nonrenewal of a binder is required unless the duration of the binder exceeds 60 days. For auto insurance, the insurer must give 5 days prior notice, unless the binder is replaced by a policy or another binder in the same company.

Applicable in Nevada

Any person who refuses to accept a binder which provides coverage of less than \$1,000,000.00 when proof is required: (A) Shall be fined not more than \$500.00, and (B) is liable to the party presenting the binder as proof of insurance for actual damages sustained therefrom.

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T-802 P.011/047 F-311

SPECIAL CONDITIONS/OTHER COVERAGES (Cont. from page 1)

** Continued from General Liability Section **

Coverage: Hired and Non-Owned Auto Liability

Location #: 1

Limit 1: 1,000,000

Coverage: Employment Practices Fiduciary Liability Coverage -

Retroactive Date: 11/1/2008

Location #: 1

Limit 1: 10,000

** Continued from Property Section **

Commercial Property Location Specific Coverages Section

Location: 1

Building #1: Beauty Supplies & Cellular Phones Store

Coverage: Business Personal Property Valuation: Replacement Cost

Miscellaneous Coverage - CNA Connect SB1468(0106)

\$ 25,000 - Accounts Receivable

\$ 50,000 - Appurtenant Buildings & Structures

\$ 5,000 - Arson & Theft Reward

12 Months - Business Income & Extra Expense - Actual loss sustained

60 Days - Extended Business Income

25% - Seasonal Increase

\$ 10,000 - Business Income & Extra Expense - Dependent property

\$ 250,000 - Business Income & Extra Expense - Newly acquired property

Included - Building Glass - In Building / Business Personal Property limit

Included - Business Personal Property Off Premises - in Business Personal Property limit

3 weeks - Civil Authority - 24 hour deductible

\$ 5,000 - Claim Data Expense

25% plus \$25,000 - Debris Removal

\$ 50,000 - Electronic Data Processing

\$ 25,000 - Employee Dishonesty

Included - Equipment Breakdown

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T-602 P.012/047 F-311

SPECIAL CONDITIONS/OTHER COVERAGES (Cont. from page 1)

\$ 25,000 - Equipment Breakdown - Pollutants

\$ 25,000 - Expediting Expenses

\$ 25,000 - Fine Arts

\$ 25,000 - Fire Department Service Charge

\$ 10,000 - Fire Protective Equipment Discharge

\$ 25,000 - Forgery or Alteration

\$ 25,000 - Interruption of Computer Operations - Annual total

Included - Money and Securities

Included - Money Orders & Counterfeit Paper - in Business Personal Property limits

\$500,000 Building, \$250,000 Business Personal Property - Newly Acquired/Constructed Property - 130 Days

\$ 5,000 - Non-owned Detached Trailers

\$ 25,000 - Ordinance or Law

\$ 10,000 - Outdoor Property

\$ 3,000 - Outdoor Trees, Shrubs, Plants, Lawns

\$ 25,000 - Personal Effects

\$ 25,000 - Pollutant Clean Up & Removal - Annual total

Included - Preservation of Property - Business Personal Property limit up to 90 days

Included - Signs - in Building/Business Personal Property limit

Included - Spoilage - Consequential Loss - in Business Personal Property limit

\$ 50,000 - Temporary Relocation of Property - up to 90 days

Included - Tenant Glass - in Business Personal Property limit

Included - Theft Damage to Rented Property - in Business Personal Property limit

\$ 25,000 - Valuable Papers & Records

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T-602 P.013/047 F-311



RISK MANAGEMENT AND INSURANCE PROPOSAL

for

BEAUTY SUPPLIES & CELLULAR WIRELESS
1330 JACKSON AVENUE
MEMPHIS, TN

Presented

by

ANDREW N. GLISSON, AAI
BUSINESS INSURANCE SPECIALIST

2670 Union Avenue Ext., Suite 200
Memphis, TN 38112-4416
Phone: (901) 321-1000 Fax: (901) 321-1099
1-800-651-0772

Date: _____ Meeting Attendees: _____

Note: Coverage summaries and descriptions provided herein are intended as an outline of coverage only and are necessarily brief. In the event of loss, all terms, conditions, and exclusions of the actual policies will apply.

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T-602 P.014/047 F-311

SELECTION OF YOUR INSURANCE REPRESENTATIVE

Selecting an agency to handle your insurance program involves much more than just buying a policy. The agency needs expertise to obtain the best coverage at the best available price, to inform you of ways to reduce your risk and to service your account quickly and professionally.

When you select your insurance representative, consider the following elements:

- Length of time in business
- Insurance companies represented
- Services available, such as claims and audit processing, coverage and rate reviews, loss control and safety engineering, and prompt response to your questions and concerns
- Risk management capability
- Reputation in the insurance industry

Lipscomb & Pitts offers you experience, personalized service, and a number of valuable benefits.

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T-602 P.015/047 F-311

The Lipscomb Pitts Advantage

Lipscomb & Pitts utilizes a consultative brokerage approach when partnering with our clients to minimize their cost of risk, and not just their cost of insurance.

Through both our Commercial Lines and Employee Benefits departments, Lipscomb & Pitts offers the following specialized services to our clients to reduce their overall cost of risk:


- ◆ **MyWave-** your pass to a dynamic world of insurance and safety-related tools and information.
- ◆ **HR That Works!**- a proactive program for avoiding risk management exposures, while increasing employee productivity and your bottom line.
- ◆ **ProComp-** an innovative, no-cost program that reduces workers' compensation costs and experience modification factor.
- ◆ **CSR24-** around the clock customer service... including web access to certificates of insurance, claims reporting, vehicle changes and much more.
- ◆ **Claims Excellence-** our Claims Director is your advocate with over 40 years insurance company experience working as a claims adjuster & claims manager.
- ◆ **Claims Evaluation-** special programs utilized to evaluate your claims experience and drill down on potential problems and determine optimum deductible levels.
- ◆ **Education-** exclusive Lipscomb & Pitts seminars on topics such as D.O.T. safety, workers' compensation, employment practices, HIPAA compliance, consumer driven healthcare, employee benefit technology.
- ◆ **Assures Global Partner-** think globally... insure locally.
- ◆ **Carrier Relations-** Due to our size, unique business approach, and our position in the marketplace, we are in a superior position to negotiate with carriers on our clients/prospects behalf.

Our commitment to our clients and our reputation in the industry are evident by our:

- | | |
|----------------------------------|--|
| - <i>Client Retention Level:</i> | 96.8% |
| - <i>Growth Rate:</i> | average 10% per year over the past five years |
| - <i>Size:</i> | largest agency in the Mid-South |
| - <i>Employee Tenure:</i> | 56% of employees have been with L&P over 5 years |
| - <i>Employee Education:</i> | 48% of employees hold professional designations |

"At Lipscomb & Pitts, our goal is not to meet the expectations of our clients, but to exceed them."

www.lpinsurance.com

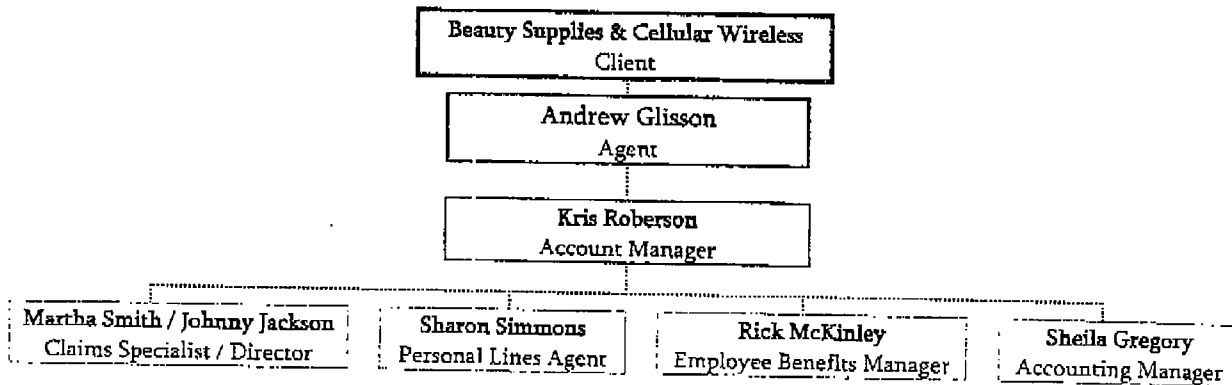
Lipscomb  Pitts
INSURANCE, LLC

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9015453952

T-602 P.016/047 F-311

YOUR SERVICE TEAM



Phone: (901) 321-1000 • Fax: (901) 321-1099 • E-mail: mailroom@lpiinsurance.com

Andrew Glisson – Agent

- Manages your account regarding service, marketing, and renewal
- Coordinates meetings with the client and loss control, claims, and underwriting departments
- Proposes coverages and other risk management techniques

Kris Roberson – Account Manager

- Assists your agent in servicing, marketing and renewing your account
- Provides prompt, accurate and courteous service to clients and is always available to assist with any problems
- Manages the billing and accounting of your account
- Handles phone calls, faxes and mail
- Processes policies, endorsements and audits
- Issues certificates and binder extensions

Sharon Simmons – Personal Lines Specialist

- Manages all lines of Personal Insurance coverage, such as Automobile, Homeowners, Excess Liability, Boats, Life and Disability.
- Manages all VIP Personal Lines Accounts

Rick McKinley – Employee Benefits Manager

- Manages all lines of Employee Benefits Coverage, including Group, Life, Dental, Disability, Health and Retirement Benefits, Business Continuation Planning, Personal Estate Planning, Annuities, and Long Term Care

Martha Smith – Claims Specialist

- Handles and directs all claims
- Assists with emergency directions
- Communicates status of claims

Johnny Jackson, Sr. – Claims Director

- Advocates for insureds during claims
- Provides emergency consultation 24/7
- Negotiates complex claims with carrier

Sheila Gregory – Accounting Manager

- Manages Accounts Receivable and Accounts Payable

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9015453952

T-602 P.017/047 F-311

RISK MANAGEMENT AND INSURANCE PRESENTATION

for

Beauty Supplies & Cellular Wireless

Policy Period 11/01/2008 to 11/01/2009

NAMED INSURED

Beauty Supplies & Cellular Wireless

- ◆ The First Named Insured will be the insured that is:
 - Responsible for payment of premium
 - Authorized to make changes in the policy with the approval of the insurance company
 - Authorized to cancel the policy
 - Designated to receive notice of cancellation

Policies cover only those individuals, partnerships, corporations, or joint ventures who are actually named in the policy.

ADDITIONAL INSURED

Additional Insured

Insurable Interest

It is important to review the additional insureds to make sure that those parties who have an insurable interest are correctly listed.

LOSS PAYEE / MORTGAGEES

Loss Payee / Mortgagee

Insurable Interest

Please give us an updated list of all loss payees / mortgagees and list the property, automobile, location, etc. to which they apply.

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T-602 P.018/047 F-311

PROPERTY COVERAGE

1 3099 Raleigh-Millington Road , Memphis , TN 38128

<i>Bldg #</i>	<i>Description</i>	<i>Limits</i>
1	Business Personal Property and Improvements & Betterments	585,000
1	Business Income/Extra Expense	Actual Loss Sustained/ 12-Month Limit

Coverage Includes:

Deductible: \$500 - All Other Perils excluding Flood and Earthquake
This is the amount of the loss you will be responsible for on an occurrence basis.

Perils Covered: The "Special Form" protects your covered property against all perils except those perils specifically excluded by the contract. This coverage will protect covered property against direct loss arising from any cause not specifically excluded.

Policy Exclusions include but are not limited to:

Acts of War
Terrorism
Nuclear Incidents
Mysterious Disappearance of Property
Wear and Tear, Latent Defect, Inherent Vice, Insects and Vermin
Dampness or Dryness of the Atmosphere and Changes in the Temperature
Artificially Generated Electrical Currents
Explosion of Steam Boilers
Flood and Earthquake
Off-Premises Power Failure / Utilities Services Failure

Coinsurance: Waived

Adjustment Basis: Replacement Cost - This loss valuation method pays for the cost of repair or replacement of damaged items with like kind and quality without deduction for depreciation.

Business Income: This covers loss of income that results from a suspension or interruption of business or rental income when the insured property has suffered direct damages by a covered peril.

Extra Expense: This covers the necessary additional extraordinary expenses needed to continue business when a covered loss directly damages or destroys insured property.

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ADDITIONAL COVERAGES

<i>Description</i>	<i>Limit</i>
Accounts Receivable	\$25,000
Appurtenant Buildings & Structures	\$50,000
Arson & Theft Reward	\$5,000
Extended Business Income	60 Days
Seasonal Increase	25%
Business Income & Extra Expense - Dependent property	\$10,000
Business Income & Extra Expense - Newly acquired property	\$250,000
Building Glass - In Building / Business Personal Property limit	Included
Business Personal Property Off Premises	Included in Business Personal Property limit
Civil Authority - 24 hour deductible	3 weeks
Claim Data Expense	\$5,000
Debris Removal	25% plus \$25,000
Electronic Data Processing	\$50,000
Employee Dishonesty	\$25,000
Equipment Breakdown	Included
Equipment Breakdown - Pollutants	\$25,000
Expediting Expenses	\$25,000
Fine Arts	\$25,000
Fire Department Service Charge	\$25,000
Fire Protective Equipment Discharge	\$10,000
Forgery or Alteration	\$25,000
Interruption of Computer Operations - Annual total	\$25,000
Money and Securities	Included
Money Orders & Counterfeit Paper	Included in Business Personal Property limits
Newly Acquired/Constructed Property - Business Personal Property - 130 Days	\$250,000
Non-owned Detached Trailers	\$5,000
Ordinance of Law	\$25,000
Outdoor Property	\$10,000
Outdoor Trees, Shrubs, Plants, Lawns	\$3,000
Personal Effects	\$25,000
Pollutant Clean Up & Removal - Annual total	\$25,000
Preservation of Property - up to 90 days	Included in Business Personal Property limits
Signs	Included in Business Personal Property limits
Sewer & Drain Backup	\$25,000
Spoilage - Consequential Loss	Included in Business Personal Property limits
Temporary Relocation of Property - up to 90 days	\$50,000
Tenant Glass	Included in Business Personal Property limits
Theft Damage to Rented Property	Included in Business Personal Property limits
Valuable Papers & Records	\$25,000

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T-602 P.020/047 F-311

GENERAL LIABILITY COVERAGE

General Aggregate	2,000,000
Products/Completed Operations Aggregate	2,000,000
Personal Injury & Advertising Injury	1,000,000
Each Occurrence	1,000,000
Fire Damage (Any One Fire)	300,000
Medical Expense (Any One Person)	10,000
Hired & Non-Owned Automobile Liability	1,000,000
Employment Practices Fiduciary Liability Coverage - Retroactive Date: 11/1/2008	10,000
Description of Coverage	Insures covered claims arising out of an accident that results in bodily injury or property damage.

Commercial General Liability Coverage Includes:

Premises/Operations Liability
 Products/Completed Operations Liability
 Limited Contractual Liability
 Personal & Advertising Injury Liability
 Host Liquor Liability
 Broad Form Property Damage Liability
 Limited Worldwide Liability
 Employees as Additional Insureds
 Extended Bodily Injury Liability
 Non-Owned Watercraft Liability for watercraft under 26'
 Automatic Coverage for any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest (90 days)

Policy Exclusions include but are not limited to:

Faulty Workmanship
 Cyber Liability
 Pollution Liability including asbestos, silica, mold/bacteria/fungi, lead
 Watercraft Liability
 Aircraft Liability
 Automobile Liability
 Employee Benefits Liability
 Employer's Liability
 Directors' & Officers' Liability
 Professional Liability
 Liquor Liability
 Foreign Liability
 Patent Infringement
 Violation of Privacy Laws
 Civil Rights Act Liability
 Americans with Disabilities Act Liability
 Employee Related Practices Liability such as discrimination, sexual harassment, wrongful termination, etc.
 Terrorism
 Failure of performance of contract
 Fiduciary Liability
 Expected or intended injury
 War
 Damage to property in your care, custody, or control

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T-602 P.021/047 F-311

GENERAL LIABILITY PREMIUM BASIS

<i>Loc</i>	<i>Class Code</i>	<i>Basis</i>	<i>Exposure</i>
1	Barber Or Beauty Shop Supplies Store	Sales	650,000

Previously, some types of land vehicles were covered as "mobile equipment" under General Liability coverage. However, new definitions of "mobile equipment" in the most recent editions of General Liability and Automobile Coverage forms have made it necessary to now schedule on your Automobile policy any land vehicles subject to a compulsory law or other motor vehicle insurance law. Please report to our office all your land vehicles that are subject to a compulsory law or other motor vehicle insurance law in the state where they are licensed or principally garaged so they may be properly insured under your Automobile policy.

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9015453952

T-802 P.022/047 F-311

PREMIUM SUMMARY

<i>Coverage</i>	<i>08-09 Proposed</i>
Package	5,988*
Total Annual Premium	\$5,988

Additional limits of liability may be available upon request

*Subject to Audit

PAYMENT PLAN

Direct Bill

Annual Payment

33% Down Payment and 3 Installments*

25% Down Payment and 7 Installments*

25% Down Payment and 9 Installments

*\$5 Fee per Installment

\$1497 down
\$499 month for 9 months

Direct Bill or Premium Financed Premiums: Late payment notices and/or Notice of Intent to Cancel due to late payment are sent directly to the insured by the carrier or premium finance company. Lipscomb & Pitts cannot be responsible for coverage disruptions that occur due to late or missed Direct Bill or premium finance company payments.

Note: *There are other terms and conditions of the policy contracts which extend or limit coverage. In all cases, the policy language shall dictate coverage in the event of a claim and should be referred to for specific situations which might arise. Coverage may be bound only upon confirmation by a duly authorized licensed agent of Lipscomb & Pitts Insurance, LLC.*

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Lipscomb & Pitts

Apr-03-09 10:22am From-CIRCUIT COURT

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T-602 P.029/047 F-311

A.M. BEST RATINGS

<i>Coverage</i>	<i>Company Name</i>	<i>A.M. Best Rating</i>	<i>Financial Size Category</i>	<i>State Status</i>
Package	Continental Casualty Insurance Company	A	XV	Admitted

A.M. Best is a company that assigns ratings to insurance companies assessing their financial strength. These ratings range from A++ to F and provide an opinion of an insurer's financial strength and ability to meet ongoing obligations to policy holders.

For more information on A.M. Best and their ratings, go to:

www.ambest.com

For other rating company websites, go to:

S & P
Moody

www.standardpoor.com
www.moodys.com

Admitted Insurance Companies

Admitted insurance companies are licensed by each state and regulated by each state's Insurance Department. They are required to be a member of each state's guaranty association as a condition of their authority to transact business in that state. The guaranty association's purpose is to provide limited coverage as defined by guaranty association statutes on behalf of an insolvent insurer in that state. Certain criteria established by the guaranty association may preclude coverage for some policyholders entirely. Premium taxes/assessments are included in the rates.

Non-Admitted Insurance Companies

Non-Admitted insurance companies are not licensed by the state in which the insured is located, and are not subject to its supervision. They usually underwrite risks for which insurance coverage may not be available through Admitted Insurance Companies. In the event of an insolvency of a non-admitted carrier, claims will not be paid by the state guaranty association. Premium taxes are not included in the rates and must be paid separately, but are included in the premium summary.

For more information on guaranty funds go to:

www.ncigf.org/gflaws.asp

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9015459952

T-602 P.024/047 F-311

LIPSCOMB & PITTS INSURANCE, LLC

CREDIT POLICY

Your insurance coverage is very important to you and your business. Likewise, the relationship we have with you is very important to us. To help preserve both of these, we have summarized our credit policy below. We feel that this will help eliminate any confusion and protect you from potential insurance cancellation. A brief summary of the Lipscomb & Pitts Insurance credit policy is as follows:

- **Installment invoices are due by the effective date of the installment.** These invoices are mailed thirty days in advance of the effective date and should be paid accordingly.
- **Endorsement invoices are due and payable upon receipt.** These invoices are mailed when the endorsement has been processed and should be paid upon receipt of the invoice.
- **Audit invoices are to be paid or disputed within ten days of receipt.** Many insurance policies carry an audit provision which may lead to additional premium. This premium must be paid within ten days of receipt of invoice or you should contact your Account Manager to dispute the audit.
- **Estimated invoices are due and payable upon receipt.** On occasion, we will submit estimated invoices pending receipt of final premium determination from your insurance carrier. These invoices will be clearly marked as estimates and should be paid under the same terms as the invoices listed above. Any adjustment to the estimate will be handled separately.
- **Credits will be applied to open balances before any refund is made.** In the event a credit is generated on your account, the credit will be applied to open balances and future installments before a refund will be available.
- **Statements will be mailed at the start of each month.** Please review these statements to verify open invoices and to pay any past due balances.
- **Insurance policy conditions and restrictions may apply.** If your insurance policy has specific reporting or payment requirements, these requirements must be met even if they are in conflict with the policies listed above.
- **Interest charges will apply to unpaid balances once they reach 30 days past due.** We will charge interest at 1.5% per month (18% APR) on any balance that reaches 30 days past the due date as determined above.
- **Please mail payments to:**

Lipscomb & Pitts Insurance, LLC
 2670 Union Avenue Ext., Suite 200
 Memphis, Tennessee 38112
- **Third-party financing of your premiums may be available.** Please contact your Account Manager to discuss financing options that may be available to you. Some of those options may include the identification of one or more potential lenders who may be willing to finance Client's premium obligations. Agent may enter into arrangements with such lenders providing for compensation to Agent when Client enters into financing arrangements with such lenders. Client is under no obligation to finance its premium obligations with any lender identified by Agent.

As mentioned above, our relationship with you is very important to us. Because of this, we use the above credit policy as a guideline to help us handle your premiums. If you have any questions or comments regarding your account with us, please contact your Account Manager or our Credit Manager, Sheila Gregory at (901)321-1013.

LIPSCOMB & PITTS INSURANCE, LLC

COMPENSATION DISCLOSURE

Agent may enter into arrangements with certain insurance carriers and/or premium finance companies providing for compensation, in addition to commissions, to be paid by such carriers to Agent or its affiliates based on, among other things, the volume of premium and/or underwriting profitability of the insurance coverages written through Agent by such carriers. These payments are not guaranteed and are not client specific. The insurance coverages Client purchases through Agent might be issued by an insurance carrier that has such a relationship with Agent and its affiliates. Agent may also enter into arrangements with premium finance companies that provide compensation to agent or its affiliates. Agent strives to work with insurers and/or premium finance companies that provide you and your business with the insurance coverage you need, with your best interests in mind, and not based on the possibility of additional compensation arrangements. Nevertheless, please let us know if you wish additional information about these arrangements.

Apr-09-09 10:22am From-CIRCUIT COURT

9015453952

T-602 P.025/047 F-311

LIPSCOMB & PITTS INSURANCE, LLC
STATEMENT OF PRIVACY AND IDENTITY THEFT PREVENTION POLICY

As you may be aware, the Gramm-Leach-Bliley Act requires that all financial institutions, including insurance agencies, notify clients of their privacy policy with regard to their clients' non-public personal information. There are also other laws governing the use and handling of private information for the protection against identity theft, including the Fair Credit Reporting Act (FCRA) and the Fair and Accurate Credit Transactions Act (FACTA). To comply with this federal legislation, please read the following Privacy and Identity Theft Prevention Policy of Lipscomb & Pitts Insurance, LLC.

Lipscomb & Pitts Insurance is committed to earning the trust of our clients and we consider the protection of your privacy and your identity to be essential to the process. We understand that protecting the privacy and confidentiality of information you provide to us is very important to you. This notice will enable you to understand how we collect information about you, the type of information we collect and the types of disclosures of information we may make.

Collection of Information

We may collect non public information about you from several sources, including your application for insurance and other forms you complete, transaction records pertaining to your insurance coverage with insurance companies and other agents as you may direct or permit, governmental or independent reporting agencies and medical information from records and reports of medical professionals.

Disclosure of Information

We use information about you only for the purpose of effecting, administering and servicing insurance applications or insurance policies, processing claims and obtaining and administering premium financing on your behalf. Be assured that we do not sell your personal information to anyone. We do not disclose any nonpublic personal information about our prospects, clients or former clients to anyone, except as permitted by law.

Confidentiality and Security of Information

We restrict access to your personal information to those employees who require it in order to provide our products and services to you. We also maintain physical, electronic and procedural safeguards that comply with federal regulations to protect your personal information.

Changes to our Policy

We may choose to modify this policy at any time. If we make material changes, we will provide current clients with a revised notice that describes our new practices. We will provide a copy of our Privacy Policy to current clients on an annual basis.

Questions or Comments

If you have any questions about our Policy, please contact your appropriate account representative by phone at 901-321-1000 or by mail at 2670 Union Avenue Extd., Suite 200, Memphis, TN 38112-4416. As always, we appreciate your business.

This notice is for information only. No response is required unless you have questions.

Edition 2008

Apr-09-09 10:22am From-CIRCUIT COURT

9015459952

T-602 P.026/047 F-311

Lipscomb & Pitts Coverage Checklist

Edition 02 2007

GENERAL

1. Bonds
2. Credit Insurance
3. Employee Benefits
4. Life Health / Disability
5. Personal Insurance
6. Review All Limits for Adequacy
7. Terrorism

PROPERTY

8. Accounts Receivable
9. Agreed Value
10. Aircraft / Watercraft
11. Antennas
12. Awnings
13. Brands & Label Coverage for Stock
14. Building
15. Builders Risk
16. Contents
17. Earthquake
18. Fence
19. Flood – including Backup of Sewers & Drains
20. Functional Replacement Cost
21. Glass
22. Improvements & Betterments
23. Legal Liability
24. Ordinance of Law
25. Property of Others
26. Protective Safeguard
27. Replacement Cost
28. Selling Price Coverage for Stock
29. Sign
30. Spoilage
31. Sprinkler Leakage
32. Tanks
33. Underground Tanks
34. Valuable Papers

BUSINESS INCOME / EXTRA EXPENSE

35. Business Income / Rental Income / Extended Business Income
36. Contingent Business Income
37. Extra Expense
38. Off-Premises Power Failure – including Overhead Transmission Lines
39. Premises Ingress / Egress
40. Loss of Income due to Civil Authority, including Premises Access

COMMUNICATIONS

41. Computer Virus / Random Attacks
42. E-Commerce
43. Electronic Data Processing

BOILER & MACHINERY

44. Boiler & Machinery

45. Boiler & Machinery / Comprehensive Equipment Breakdown Combined
46. Comprehensive Equipment Breakdown

CRIME

47. Computer Fraud
48. Employee Dishonesty
49. Employee Dishonesty – Personal Accounts
50. Forgery or Alteration
51. Money & Securities
52. Third Party Crime

INLAND MARINE

53. Cargo
54. Exhibition Floater
55. Installation Floater
56. Ocean Marine Cargo
57. Rented / Leased Equipment
58. Tool / Equipment Floater
59. Transit

LIABILITY

60. Cyber Liability
61. Directors & Officers' Liability
62. Electronic Data Loss Liability
63. Employee Benefits Liability
64. Employment Practices Liability
65. Employment Practices Liability Third Party Coverage
66. Errors & Omissions Liability
67. Excess Liability
68. Fiduciary Liability
69. Foreign Liability
70. General Liability
71. Kidnap & Ransom
72. Liquor Liability
73. Managed Care Liability
74. Mold, Fungus, & Bacteria
75. Political Risk
76. Pollution Liability
77. Products Recall
78. Professional Liability
79. Security & Privacy Insurance
80. StopGap Liability
81. Workplace Violence

AUTOMOBILE

82. Auto Collision
83. Auto Comprehensive / Other than Collision
84. Auto Hired / Non-owned Liability
85. Auto Hired Physical Damage
86. Auto Liability
87. Auto Medical Payments
88. Auto Pollution Liability
89. Auto Rental Reimbursement
90. Auto Special Equipment – phones, radios, refrigeration, etc.

91. Auto Uninsured Motorist
92. Deletion of Fellow Employee Exclusion
93. Drive Other Car Coverage
94. Garagekeepers
95. Garage Liability
96. Personal Injury Protection (PIP) – No Fault
97. Specified Causes of Loss

TRUCKING

98. Broadened Pollution Liability
99. Contingent Liability / Contingent Cargo Coverage
100. Hired Physical Damage / Bailee Coverage
101. Motor Truck Cargo
102. Motor Truck Cargo Infidelity or Dishonesty Extension
103. Non-Trucking Use Liability
104. Trailer Interchange
105. Uniform Intermodal Interchange Agreement Endorsement
106. Commercial Auto Ext. End.—Cvg. for certain contracts
107. MCS 90
108. Hired Cargo

WORKERS' COMPENSATION

109. Worker's Compensation
110. Farm or Domestic Workers' Compensation
111. Foreign Reimbursement
112. Foreign Workers' Compensation
113. Other States Workers' Compensation
114. Repatriation Exposure
115. U S L & H
116. Voluntary Employees Workers' Compensation
117. TN Drug Free Workplace Program

Discussed With:

Date:

L&P Representative(s):

Apr-09-09 10:22am From-CIRCUIT COURT

9015453952

T-602 P.027/047 F-311

RECOMMENDATIONS / OPTIONS

Please check our website at: www.wlpinsurance.com for definitions and explanations

- 1** Review All Limits For Adequacy.
- 2** Earthquake
- 3** Excess Liability
- 4** Auto Collision / Auto Comprehensive / Other than Collision
- 5** Auto Liability
- 6** Workers' Compensation
- 7** Crime

Apr-03-09 10:23am From-CIRCUIT COURT

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T-602 P.028/047 F-311

LIPSCOMB & PITTS' RISK MANAGEMENT

For those businesses without a risk management staff, one of the primary benefits of hiring Lipscomb & Pitts is to obtain risk management services without the related costs that accompany hiring a dedicated staff. We can serve in this capacity, enabling you to benefit from our expertise and facilities.

The simplest way to present this concept is to outline the job description. If requested Lipscomb & Pitts can perform the following functions usually performed by the Risk Manager:

- 1** Identification and analysis of exposures and values at risk. - Discussion with management about their "comfort level" with retaining risk. This is done initially, and at least annually, to ensure that the risk management techniques selected remain appropriate.
- 2** Explore Risk handling alternatives:
 - a** Retention of risk, including deductibles for appropriate lines of coverages;
 - b** Transfer of risk contractually to customers, suppliers, vendors, lessors or other parties with whom you conduct business;
 - c** Avoidance of risk where the cost of treating the exposure contributes to an inadequate return from conducting the operation;
 - d** Loss control to reduce the frequency and severity of loss as well as minimize risk costs.
- 3** Insurance – After the above alternatives have been maximized that which remains should be insured. Lipscomb & Pitts can draft specifications and market to appropriate insurance carriers. Proposals based upon those specifications will be evaluated by us and a report rendered to management comparing them. An informed decision can then be made in the selection of both insurance coverage and carriers.
- 4** Policy Review – All coverages in force will be checked to ensure that the insurance program selected was in fact received. Any discrepancies found will be brought to the attention of the underwriter for correction.
- 5** Continual Monitoring – All respects of the risk management program that are of a continual nature can be monitored by Lipscomb & Pitts to determine if desired objectives are being achieved. This could include:
 - a** Monitoring of loss runs supplied by each carrier for accuracy, repeat offenders, recurring types of accidents, etc.
 - b** Experience modification verification;
 - c** Review of loss reserves;
 - d** Unit statistical card verification;
 - e** Audit evaluation;
 - f** Rating plan verification.

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T-602 P.029/047 F-311

LIPSCOMB & PITTS' RISK MANAGEMENT (CONTINUED)

- 6** Policy Abstracts / Risk Management Reports – Abstracts (a brief outline of coverages, policy terms, premiums and carriers) can be prepared for management. These reports are used to assist in the understanding of the Risk Management Program in place and provide documentation for future reference.
- 7** Review Leases & Contracts:
- a** Provides us with information about what your company is doing, which may have an impact on your risk management program;
 - b** May offer us an opportunity to transfer your risk to another party;
 - c** May prevent you from contractually assuming another party's risk;
 - d** May uncover other risk/valuation areas which will need consideration and/or special treatment.
- However, Lipscomb and Pitts does not offer legal advice and recommends you consult your attorney for a legal opinion.
- 8** Claims Assistance -- Where needed, our Claims Department is available to assist you in minimizing a loss after it happens, and in recovering loss from carriers or third parties.
- 9** Risk Management Advice and Counsel – Lipscomb & Pitts can provide insurance and risk management counsel and advice where needed concerning any changes or modifications you may wish to consider. We can assist you in evaluating potential mergers and acquisitions, and work with you to formulate modifications to your corporate philosophy on risk.
- 10** Special Projects – The following projects can be provided whenever you wish them performed:
- a** Premium Allocation by Profit Centers
 - b** Self-Insurance Studies
 - c** Evaluation of Loss Control Program
 - d** Projects to be Defined by you

Apr-03-09 10:23am From-CIRCUIT COURT

9015453952

T-602 P.030/047 F-311

LOSS CONTROL SERVICES

We propose an initial planning meeting with you and your insurance carrier's Loss Control Services Department to develop a tailored loss control program to meet your requirements. Versatility, experience, and expertise are critical in managing the logistical complexities of your exposures. Once again, coordination and communication are important aspects in the implementation of a properly run and successful safety management program.

Here is a summary of loss control services:

Initial planning session to develop target areas of both actual and potential loss exposures.

1 *Develop safety management consulting*

- Created to reduce loss frequency; the Loss Control Department looks at the systematic causes of loss and helps to develop and implement solutions

2 *Focused loss prevention*

- Identify specific problems and their root causes, then find and implement solutions
- Ergonomics: structuring and adjusting a job to accommodate human limits and comforts
- Industrial Hygiene: assessing the actual work place environment to identify environment hazards
- Fleet Safety: assess commercial vehicle operations
- Premises/Product Safety: evaluate premises and product liability prevention and measures
- Property: evaluate property loss exposures and make recommendations to reduce fire or theft loss

3 *Customize Safety Services*

- Safety Audit Programs – to ensure compliance
- Safety Training
- Special Technical Services
- Periodic Surveys of locations and/or operations

4 *Safety Seminars*

/s/

L. J. [unclear] & [unclear]

Apr-03-09 10:23am From=CIRCUIT COURT

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T-602 P.031/047 F-311

CLAIMS SERVICES

We propose a planning meeting with you and your insurance carrier's Claim Department to review the claim management strategy. Personal involvement in the coordination of this strategy is vital with diaried communication follow-up to make sure of its implementation.

Here is a summary of claims services:

1 *Prompt quality contact with injured employee or claimant.*

- Establish rapport and trust
- Avoid attorney involvement
- Timely recognition of injury exposure
- Timely delivery of benefits
- Use Telephone reporting versus paper (on average, thirteen days will be saved between the injury and contact with the injured party using telephone reporting)

2 *Active Supervision*

- Manage people, not the files
- Compliance with quality contact
- Review all loss time and non-loss time files
- Realistic reserve and estimate review
- Ongoing quality assurance

3 *Detail Investigation*

- Complete within thirty days
- Personal (On-site for key cases)
- Aggressive collection of facts relating to compensability
- Ongoing investigation as facts warrant

4 *Timely and Appropriate Claim Resolution*

- Property Documentation
- Evaluate cases with settlement potential
- Firm, but fair negotiation
- Apply litigation management

5 *Effective Medical Management*

- Ensure treatment is related to injury
- Early involvement
- Proper and cost effective care

6 *Utilization Management*

- Utilization review for Worker's Compensation hospitalizations and surgeries, and outpatient care
- Preferred Provider Network including return to work focus

7 *Medical Management*

- Disability Management
- Vocational Rehabilitation

8 *Traditional Cost Containment*

- Repricing, fee schedule, and reasonable and customary charges
- Hospital bill audits

Apr-03-09 10:23am From-CIRCUIT COURT

9015453952

T-602 P.032/047 F-311

INSURANCE COMPANY CONTACT INFORMATION CLAIMS REPORTING AND LOSS CONTROL SERVICES

Whenever there is an occurrence that could result in a claim, it is important for you to report the claim as soon as practicable, either directly to the Insurance Company listed below or to the Lipscomb & Pitts claims department.

The following is a list of your insurance companies and their contact information:

Package	CNA Insurance Company
	P.O. Box 305123
	Nashville, TN 37230-5123
	877-262-2727 Phone
	877-378-0541 Fax

One or more of your carriers may provide Loss Control Services. If you are interested in resources to assist you in development/implementation of your loss control program, please contact your agent for further details.

Apr-03-09 10:23am From=CIRCUIT COURT

9015453952

T-602 P.033/047 F-311

PROPERTY CLAIMS

Fire, Windstorm, Theft, etc.

In the event of damage to your property, the following procedures should apply:

- 1* When damage occurs, your first concern is to take any steps necessary to protect the property from any further damage. If emergency repairs are necessary, proceed with them immediately. Keep copies of all bills and documentation.
- 2* If damage is a result of theft or vandalism call the police and make a report to them.

REPORTING

- 1* Call the insurance carrier listed on the claims reporting page or Lipscomb & Pitts claims department at (901) 321-1000.
- 2* In the event of an after-hours emergency, please contact your insurance carrier direct.

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9015453952

T-602 P.034/047 F-311

GENERAL LIABILITY CLAIMS

Bodily Injury

- 1 Instruct all employees to immediately report all third party accidents to the owner/manager on duty.
- 2 See that the injured person is made as comfortable as possible. If the injured person shows great pain and appears to require immediate medical attention, offer assistance in providing emergency first aid and arrange for transportation to a medical facility. Proceed only if assistance is requested except if the injured person is alone or is incoherent. In that case, you should proceed to the medical facility with assistance.
- 3 Limit authorization for medical attention to emergency first aid only.
- 4 No employees are authorized to admit any liability of the company or obligate the company in any way.
- 5 Obtain the injured person's name, address, telephone number, and a complete description of the accident. If the accident involved slipping and falling, inquire as to what was slipped on or the reason for the fall, then check the floor and document your findings. Avoid mentioning insurance and under no circumstances should you ask the person to sign any statements. That is a job for the claims adjuster.
- 6 After the person has left, if possible, obtain names, addresses, and telephone numbers of any accident witnesses. It is helpful if you can get names of witnesses other than employees.

Property Damage

- 1 At times a person / business will advise you of damage which occurred to their property for which they may feel you are responsible. When this occurs, take down as much information as possible from the person / business including name, address, telephone number and a description of the damaged property and a description of the incident.
- 2 Do not admit any liability. Simply advise that person / business that a report will be made to your insurance company. The adjusters will then investigate the incident and determine your liability, if any.

REPORTING

- 1 Call the insurance carrier listed on the claims reporting page or Lipscomb & Fitts claims department at (901) 321-1000.
- 2 In the event of an after-hours emergency, please contact your insurance carrier direct.

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T-602 P.035/047 F-311

AUTOMOBILE CLAIMS

The following procedures should be followed when anyone operating an insured vehicle is involved in an accident:

- 1** Stop stay at the scene of the accident and be courteous.
- 2** Other traffic should be directed away from the accident. Have someone posted between the disabled vehicles and oncoming traffic to warn other drivers. Leave parking lights, turn signals, or flashers on.
- 3** Care for injured persons, but do not move them unless necessary. You could cause a more serious injury.
- 4** Notify the police by telephone or fastest means possible. Tell them where you are and request an ambulance or medical aid if needed.
- 5** Get the name, address, work and home phone numbers, insurance company, type car, and damage to car of the driver and owner.
- 6** Get the names, addresses and phone numbers of witnesses.
- 7** Remember locations of cars or pedestrians involved in the accident, both prior to its occurrence and afterward so that you will be able to draw a diagram.
- 8** Express no opinion as to who was at fault. Give no information except as required by the authorities. Sign no statement for anyone except an identified representative of the company or as required by the authorities.

REPORTING

- 1** Call the insurance carrier listed on the claims reporting page or Lipscomb & Pitts claims department at (901) 321-1000.
- 2** In the event of an after-hours emergency, please contact your insurance carrier direct.

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T-602 P.036/047 F-311

OTHER SERVICES LIPSCOMB & PITTS CAN PROVIDE

You can expect to be treated as a valued client at Lipscomb & Pitts. In addition to providing you with the best available insurance program, we encourage you to let us review other areas of your insurance coverage.

Employee Benefits Department: We understand that the employees of our clients are as special as our own. Therefore, we strive to satisfy not only the insurance needs of the business, but also those of the people who make up the business. In structuring your Life, Health, and Disability Group programs, individual attention is given to each member of your group while maintaining the budget guidelines of your corporation.

Renewal Dates:

Group Life	-	_____
Group Health	-	_____
Group Disability	-	_____

Personal Lines Department: We serve the individual as well as the company. Our personal lines department will assist you in protecting the personal assets which are so important – your home, automobiles, and personal possessions.

Renewal Dates:

Homeowners	-	_____
Automobile	-	_____

Financial Planning Department: In mapping out your future and the future of your business, consider our range of financial planning products and services such as Life and Key Man insurance, Executive Bonus Programs, Deferred Compensation, Long-Term Care and Disability Insurance, in addition to Personal and Corporate Estate Tax Funding.

Renewal Dates:

Life Insurance	-	_____
Disability Insurance	-	_____

We encourage you to take advantage of these services. We want to do more than just sell you a policy; at Lipscomb & Pitts we're concerned with the overall picture. That's why so many of our clients have been with us for well over a decade.

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T-802 P.037/047 F-311



New Account Profile Sheet

Account Name Beauty Supplies & Cellular Wireless

List any other names by which this account may be referred to: _____

Account Contact _____

Account Contact Phone Number _____

Account Contact Email Address _____

Address 1330 Jackson AvenueCity/State/Zip Memphis, TN 38107

Indicated the number of facilities _____

Type of facilities: (Retail, Office, Manufacturing, Distribution, Hospitality, Medical etc.) _____

Broker/Agent Andrew N. Glisson

Insurance Carrier _____

If available please attach an excel file of your facility locations. This will aid us in planning for future needs.

Have you completed an asbestos survey on all your facilities?

☐ Yes
☐ No
☐ I don't know

In the interest of expanding our communications link with you, some of our QRV Service Centers are asking to call on your local facilities for the purpose of introducing themselves as the Service Center that may be providing service if needed. Would it be OK to have our local offices call on your local facilities?

☐ Yes, no problem.
☐ No, Please ask them not to call on our local facilities

Please note that the accuracy of this information (the correct street address, zip code, etc) is critical. The data will be entered into the 866 RECOVER database and the agents will search by the address.

☐ Yes, I would like to receive program information, news and tips from 866 RECOVER electronically.

Please fax this form and Emergency Response Commitment to Deedra Hoard @ 901.597.7588.

ServiceMaster Clean

866 RECOVER

Lipscomb & Pitts

Apr-03-09 10:24am From-CIRCUIT COURT

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T-602 P.038/047 F-311



Emergency Response Commitment

Upon your request, 866 RECOVER will provide services required and selected by you to assist with water, smoke and fire related events. These services include:

- Access to our emergency response network 24 / 7 / 365
- Immediate response – on site within 2 to 4 hours with trained, uniformed staff equipped to begin necessary work
- Priority service over non 866 RECOVER accounts
- All pricing at industry standard, agreed upon at time of service
- Dedicated effort to return you to pre-loss condition as quickly as possible
- The complete range of 866 RECOVER services, which may include:
 - Fire and Smoke Restoration
 - Water Damage Mitigation
 - Drying and Dehumidification
 - Document Drying and Recovery
 - Building Stabilization
 - Controlled Demolition
 - Safety and Compliance
 - Project Management and Consultation Services
 - Reconstruction Services with Large-loss Capabilities
- All work completed in accordance with Federal, state and local regulations

We commit to providing services above:

I would like to become an 866 RECOVER Account

 Steven Losorwith
 ServiceMaster Clean
 Vice President, Commercial Disaster Restoration

Beauty Supplies & Cellular Wireless
 Company Name (print)

 Customers Signature

 Date
1330 Jackson Avenue
Memphis, TN 38107
 Property address

 Email address

☐ Yes, I would like to receive program information, news and tips from 866 RECOVER electronically.

ServiceMaster Clean

866 RECOVER

Lipscomb & Pitts

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T-602 P.039/047 F-311

CLIENT AUTHORIZATION AGREEMENT

The undersigned Client ("Named Insured") of Lipscomb & Pitts Insurance, LLC ("Agent") confirms that the values, limits, schedules, and other data reflected in Agent's insurance proposal are from Client's records and are based upon the information provided to Agent. Client acknowledges that responsibility for updating such information lies with Client. Client further acknowledges that Agent's proposal provides only a summary and that Client will rely upon the issued policy for actual coverages. Client hereby requests Agent to pursue binding of coverage with the insurer(s) in accordance with Agent's proposal (subject to the changes/modifications in coverage noted below) and to provide Client with a binder(s) for such coverages at Agent's earliest convenience following the insurer's commitment to bind coverage.

Client requests the coverages reflected in Agent's proposal be changed or modified as follows:

Changes to Insurance Program: Client acknowledges that no coverage can be bound and no change can be made to the client's insurance program until verified by a licensed agent.

Payments: Agent will invoice Client for amounts due in reference to any policy bound pursuant to this Agreement, and any renewals thereof ("Invoice Amounts") and Client shall promptly pay Agent at 2670 Union Avenue Ext., Suite 200, Memphis, Tennessee 38112 such Invoice Amounts. Unpaid balances existing thirty (30) days following the date of such invoice shall bear interest at eighteen percent (18%) per annum.

Collection Costs: Agent may hire or pay third-parties to collect amounts due hereunder if Client does not pay according to the Agent's credit policy, and Client will pay Agent any amounts paid by Agent in so doing. This includes, subject to any limitations under applicable law, Agent's attorneys' fees and legal expenses, whether or not there is a lawsuit, including attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction) and appeals. If not prohibited by applicable law, Client will also pay court costs, in addition to all other sums provided by law.

Security Interest: Client hereby assigns to Agent and grants a security interest to Agent in, as security for any amount payable hereunder, any and all return premiums and dividends which may become payable under the policy or policies and any claims or loss payments under said policy or policies.

Cancellation: In the event of Client's failure to comply with any of the terms or conditions hereof, Agent may cancel any one or more of Client's insurance policies. Client hereby irrevocably appoints Agent Attorney-in-Fact with the full authority to cancel said policies, receive all sums assigned to Agent and to execute and deliver on behalf of Client all documents, forms and notices related to said insurance policies. Any payments received after policy cancellation may be credited to the indebtedness due hereunder without any liability or obligation on the part of Agent to request reinstatement of such cancelled policy. Any sum received from an insurance company shall be credited to the balance due hereunder; any surplus shall be paid over to the insured.

Compensation Disclosure: Agent may enter into arrangements with certain insurance carriers providing for compensation, in addition to commissions, to be paid by such carriers to Agent or its affiliates based on, among other things, the volume of premium and/or underwriting profitability of the insurance coverages written through Agent by such carriers. These payments are not guaranteed and are not client specific. The insurance coverages Client purchases through Agent might be issued by an insurance carrier that has such a relationship with Agent and its affiliates. Agent may also enter into arrangements with premium finance companies that provide compensation to agent or its affiliates. Agent strives to work with insurers and/or premium finance companies that provide you and your business with the insurance coverage you need, with your best interests in mind, and not based on the possibility of additional compensation arrangements. Nevertheless, please let us know if you wish additional information about these arrangements. It has always been, and will continue to be, the practice of Agent to leave the final selection of insurers to our Clients.

Applicable Law: This Agreement shall be governed by, construed and enforced in accordance with federal law and the laws of the State of Tennessee. If there is a lawsuit, Client agrees to submit to the jurisdiction of the courts of Shelby County, Tennessee.

Waiver: Agent may delay or forgo enforcing any of its rights or remedies hereunder, without losing them. Client, to the extent allowed by law, waives presentment, demand for payment, and notice of dishonor.

Several Provisions: If any part of this Agreement is determined to be invalid, that shall not affect the validity of any other part.

Notice: All requests by Client for a cancellation of coverage shall be made in writing to Agent and shall include a reference to the policy and policy number affected. All notices, requests, and payments to Agent shall be made to Agent at 2670 Union Avenue Ext., Suite 200, Memphis, Tennessee, 38112, or such other address as Agent may designate in writing.

Tennessee Fraud Notice: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

IN WITNESS WHEREOF, Client has executed this Agreement as of the date given and agrees to be bound by the terms hereof.

BEAUTY SUPPLIES & CELLULAR WIRELESS

Client Authorized Signature _____

Date Authorized _____

Agent Signature _____

Date _____

Lipscomb & Pitts
INSURANCE, LLC

Apr-09-09 10:24am From=CIRCUIT COURT

9015459952

T-602 P.040/047 F-311

REQUEST FOR CERTIFICATE OF INSURANCE

Fax To: Kris Roberson – Lipscomb & Pitts Insurance, LLC
(901) 321-1099

INSURED: Beauty Supplies & Cellular Wireless DATE: _____PHONE: 901 463-5359 REQUESTED BY: _____

Certificate Holder	Address		
Company Name	Street		
Recipient's Name	City	State	Zip
Recipient's fax or email	Coverages to be shown on certificate:		
Recipient's interest: <input type="checkbox"/> Certificate Holder only <input type="checkbox"/> Mortgagee Location _____ <input type="checkbox"/> Additional Insured Which coverage(s) is applicable? _____ <input type="checkbox"/> Loss Payee Location/Vehicle/Equipment _____ <input type="checkbox"/> Waiver of Subrogation GL <input type="checkbox"/> Waiver of Subrogation Work Comp			
Company Name	Street		
Recipient's Name	City	State	Zip
Recipient's fax or email	Coverages to be shown on certificate:		
Recipient's interest: <input type="checkbox"/> Certificate Holder only <input type="checkbox"/> Additional Insured Which coverage(s) is applicable? _____ <input type="checkbox"/> Mortgagee Location _____ <input type="checkbox"/> Loss Payee Location/Vehicle/Equipment _____ <input type="checkbox"/> Waiver of Subrogation GL <input type="checkbox"/> Waiver of Subrogation Work Comp			

NOTE: If Certificate Holder requires any special conditions (special wording, special cancellation clause, etc.), please forward a copy of their written requirements to our office. Please note that special conditions, additional insured status, or waivers of subrogation may require additional information and/or approval from the carrier.

Lipscomb & Pitts' Telephone Number – (901) 321-1000
Thank You!

Lipscomb & Pitts
INSURANCE, LLC

Apr-03-09 10:24am From-CIRCUIT COURT

9015453952

T-602 P.041/047 F-311



Lipson & Pitts Core Values

- AN UNCOMPROMISING INTEGRITY AND
PRIDE IN EVERYTHING WE DO
- A STRONG COMMITMENT TO
EMPOWERING ALL TEAM MEMBERS TO
BE THE BEST THEY CAN BE
- AN OBSESSION TO PROVIDE THE
HIGHEST QUALITY SERVICE AND VALUE
WITH A SENSE OF URGENCY
- AN INTENSE DESIRE FOR CONTINUOUS
IMPROVEMENT AND GROWTH
- A PROFESSIONAL ATMOSPHERE FOR
EMPLOYEES WHERE DEDICATION AND
INNOVATION ARE VALUED
- A DEVOUT RESOLUTION TO MAINTAIN
AN ENVIRONMENT WHERE EMPLOYEES,
GUIDED BY OUR PHILOSOPHY
STATEMENT, CAN USE THEIR BEST
JUDGEMENT IN MAKING DECISIONS

Apr-03-09 10:24am From-CIRCUIT COURT

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T-602 P.042/047 F-311

Exhibit
B

Apr-03-09 10:25am From-CIRCUIT COURT

9015453952

T-802 P.043/047 F-311

ELEIWA SONS INC.**Beauty & Cellular Wireless Balance Sheet****As of January 1, 2009**

	<u>Jan 1, 2009</u>
Balance as of 10/1/08-10/31/08	\$589,629.58
Payments: Samir Alniswan Balance Transfer	- \$246,977.90
	<hr/>
Balance as of 11/1/08	Total: \$342,651.68
Purchase for month 11/1/08-11/30/08	+ \$162,088.63
Balance as of 12/1/08-12/31/08	Total: \$504,740.31
Payment: on 12/1/08	- \$ 37,535.00
Balance as of 12/1/08	Total: \$467,205.31
Purchases as of 12/1/08-12/31/08	+ \$105,209.09
	Total: \$572,414.40
Payments: on 12/30/08	- \$38,117.00

BALANCE: \$ 534,297.40

Apr-03-09 10:25am From-CIRCUIT COURT

9015453952

T-602 P.044/047 F-311

BEAUTY SUPPLY & CELLULAR WIRELESS
3439 N. WATKINS
MEMPHIS, TN 38127
STATEMENT OF REVENUES AND EXPENSES
For the One Month and Eleven Months Ended
November 30, 2008

	Current Period		Year To Date	
	Amount	Percent	Amount	Percent
GROSS INCOME				
401 SALES	\$ 49,733.11	100.00	\$ 49,733.11	100.00
TOTAL GROSS INCOME	<u>49,733.11</u>	<u>100.00</u>	<u>49,733.11</u>	<u>100.00</u>
COST OF GOODS SOLD				
501 PURCHASES	30,141.27	60.61	30,141.27	60.61
TOTAL COST OF GOODS SOLD	<u>30,141.27</u>	<u>60.61</u>	<u>30,141.27</u>	<u>60.61</u>
Gross Profit	<u>19,591.84</u>	<u>39.39</u>	<u>19,591.84</u>	<u>39.39</u>
EXPENSES				
604 BOOKKEEPING FEES	100.00	0.20	100.00	0.20
609 INSURANCE	780.00	1.57	780.00	1.57
619 STORE SUPPLIES	600.00	1.21	600.00	1.21
620 TAXES & LICENSES	1,500.00	3.02	1,500.00	3.02
621 TELEPHONE	270.00	0.54	270.00	0.54
622 UTILITIES	870.00	1.75	870.00	1.75
624 SANITATION/PEST CONTROL	90.00	0.18	90.00	0.18
638 SECURITY	31.00	0.06	31.00	0.06
TOTAL EXPENSES	<u>4,241.00</u>	<u>8.53</u>	<u>4,241.00</u>	<u>8.53</u>
Net Income (Loss)	\$ <u>15,350.84</u>	<u>30.87</u>	\$ <u>15,350.84</u>	<u>30.87</u>

BEAUTY SUPPLY & CELLULAR WIRELESS
3438 N. WATKINS
MEMPHIS, TN 38127
STATEMENT OF REVENUES AND EXPENSES
For the Trailing 12 Months Ended November 30, 2008

450740105394736200811012008113000100000000000000000000000000000000

Apr-03-09 10:25am From-CIRCUIT COURT

9015453952

T-602 P. 047/047 F-311

ELEIWA SONS INC.
Balance Sheet
As of September 3, 2008

For Samir Alniswan

Sept 3, 08

Starting Balance as of 9/3/08	\$434,751.00
Payment For Existing Merchandise 9/4/08	- \$50,000.00
Gudino Construction Co. Pd in Cash 10/7/08	- \$55,628.10
Store Supply Warehouse Pd in Cash 10/17/08	- \$22,745.00
Cleveland Wells Pd in Cash 10/20/08	- \$2,800.00
Sentry Systems Pd in Cash 10/28/08	- \$18,500.00
All Signs Pd in Cash 10/29/08	- \$24,900.00
Computers Pd in Cash 11/25/08	- \$4,600.00
Misc,...(Office Supplies and etc...) Pd in Cash 11/27/08	- \$8,600.00

BALANCE \$246,977.90

Apr-03-09 10:11am From-CIRCUIT COURT

9015453952

T-600 P.001

F-309



SHELBY COUNTY CIRCUIT COURT

140 Adams, Room 329
Memphis, TN 38103-2099
Phone: 901-545-4730
Fax: 901-545-3952

Fax

To: Dale Gloffre
Fax: 502.581.1087

From: Diana Davies
Date: 4/2/2009

Total number of pages sent, including cover ~~14~~ 55

☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply

Comments:

exhibits
CT-001482-09 ~~complaint~~ *per your ~~fax~~ phone request today; there are 54 pages of exhibits; let me know if you want those.*

Cost: ~~\$13.00~~ 54.00

Mail Payment to:

Circuit Court
140 Adams Ave. Rm. 329
Memphis, TN. 38103-2099
ATTENTION: "DIANA"

(Include a copy of this page with check)

Confidentiality Note: The information contained in the message above is legally privileged and confidential, intended only for the use of the individual or entity named above. If the receiver of this message is not the intended recipient, you are hereby notified that any dissemination, distribution or copying of the telecopy is strictly prohibited. If you received this facsimile in error, please immediately notify us by telephone and return the original message to us at the above address, via U. S. Postal Service. Thank you for your cooperation.

Apr-03-09 10:11am From-CIRCUIT COURT

9015453952

T-600 P.002/010 F-309

Exhibit

C

Apr-03-09 10:11am From=CIRCUIT COURT

9015453952

T-600 P.003/010 F-309

**Snider
Horner**

ATTORNEYS AT LAW
A Full and Complete Law Firm
Established 1998

CORPORATE CASUALTY
9056 STONE WALK PLACE
GERMANTOWN, TN 38138-7004
TELEPHONE (901) 751-6777
FACSIMILE (901) 751-6041
WWW.LEVINSNIDER.COM

January 16, 2009

VIA FACSIMILE & U.S. MAIL

Mr. Dan L. Hoerchler
c/o CNA
P.O. Box 8317
Chicago, IL 60680

COPY

RE: Samir Alniswan d/b/a Beauty Supply & Cellular Wireless

Dear Mr. Hoerchler:

Be advised that our offices have been retained by Mr. Samir Alniswan who does business as Beauty Supply & Cellular Wireless formally located in Memphis, Tennessee. Please direct any and all future correspondence and other forms of communication directly to me at my office. In short, you are to have no further communication with my client in regard to this particular dispute.

As you know, my client had a substantial contract of insurance with your company in regard to his business. As you also know, on or about December 31, 2008, there was a fire at my client's premises destroying all of his business property, et cetera. Finally, as you know, my client has timely made a claim in this matter and so far your company has refused or otherwise failed to pay his claim. In fact, your company has refused to even provide any advance whatsoever which has essentially "put my client out of business". Moreover, your company has given my client no written communication as to why an advance or other form of payment has not been made.

Consider this letter a written demand to immediately pay the above-mentioned claim in full and/or provide my client a substantial advance in regard to the claim that he will most certainly be receiving. Be aware that we will be expecting this to be completed immediately if you wish to avoid further action in this matter.

In addition, pursuant to Tennessee Code Annotated, Section 56-7-105, consider this letter written notice to you and your company that if my client's claim is not fully paid within sixty (60) days of the date of this letter, we will be filing suit in this matter and seeking not only breach of contract damages but also the additional liability that is bestowed upon insurers for a bad faith failure to pay a claim promptly. Obviously, it is our sincere desire to resolve this matter without engaging in lengthy and costly litigation but this matter needs to be resolved immediately. I look forward to hearing from you in writing at your earliest convenience.

Sincerely,

SNIDER & HORNER, PLLC

Kevin A. Snider
Attorney at Law

cc: Mr. Samir Alniswan c/o Khaled Eleiwa

KAS/ale

Kevin A. Snider, J.D., C.E.E.
Founding Attorney

Gail W. Horner
Member Attorney

Jessica Howard
Associate Attorney

Phillip D. Waddell
Of Counsel Attorney

James Seth Waddell
Of Counsel Attorney

Christina Burdette, J.D., C.P.A.
Of Counsel Attorney

Jeanie M. Snider
Legal Administrator

Apr-03-09 10:11am From-CIRCUIT COURT

9015453952

T-600 P.004/010 F-309

Exhibit

D

Apr-03-09 10:11am From-CIRCUIT COURT

9015453952

T-600 P.005/010 F-308

Snider & Horner

ATTORNEYS AT LAW
A Professional Limited Liability Company
Founded in 1996

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GERMANTOWN, TN 38138-7824
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FACSIMILE (901) 759-0041
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Kevin A. Snider, J.D., C.F.E.
Founding Attorney

Gail W. Horner
Member Attorney

Jessica Howard
Associate Attorney

Phillip D. Waddell
Of Counsel Attorney

James Seth Waddell
Of Counsel Attorney

Christina Biondette, J.D., C.R.A.
Of Counsel Attorney

Jeanie M. Snider
Legal Administrator

February 16, 2009

VIA FEDEX STANDARD OVERNIGHT

Mr. Dan L. Hoerschler
c/o CNA
1620 Longwood Drive
Sycamore, IL 60178-2760

RE: Samir Alniswan d/b/a Beauty Supply & Cellular Wireless

Dear Mr. Hoerschler:

Per your letter of February 3, 2009, my client has used all diligent efforts to obtain all of the documents that you had requested. Therefore, in line and in order with your letter, enclosed you will find my client's original Sworn Statement in Proof of Loss and his original Contents List. In regard to your specific request, you are obviously already in possession of the original insurance policy with Valley Forge Insurance Company and therefore, a copy of this document has not been provided with these responses. In addition, enclosed you will find a copy of my client's Commercial Lease Agreement that you requested.

In your next request, you requested all documents and correspondence relating to my client's purchase of his business. Be aware that my client does not possess any such documents nor does he possess any documents for any other businesses that he has owned. However, I have included all documents and receipts that my client was able to locate in regard to inventory and other items that were purchased, et cetera.

In addition to the above, enclosed you will find a copy of my client's Business License, a copy of his agreement for electricity, et cetera for Memphis, Light, Gas & Water as well as a copy of a Durable General Power of Attorney that my client has executed for Mr. Khaled Eleiwa to act on his behalf in proceeding forward in this matter.

In addition, be aware that no Police Report was filed in this matter; therefore, there is not one but I have enclosed another copy of the Fire Report that my client received.

As noted above, the enclosed receipts, invoices and other documents represent all receipts and documents relating to my client's purchase of contents and/or business and personal property.

In addition to the above, my client does not have copies of any loans or Promissory Notes because none were made or given. In addition, my client does not have any correspondence with any bank or creditor concerning loans or accounts in that, as you know, my client recently opened bank accounts in this matter and we have enclosed those bank statements.

To that end, enclosed you will find a copy of my client's bank statements which are all of his personal and business bank statements from the inception of the accounts forward.

COPY

Apr-09-09 10:11am From-CIRCUIT COURT

9015453952

T-600 P.006/010 F-309

Snider
&
Horner

Mr. Dan L. Hoerchler c/o CNA
Page Two (2)
February 16, 2009

In addition, per your request, enclosed you will find a copy of my client's cellular telephone records from inception of the account through January 8, 2009.

In addition to the above, enclosed you will find a copy of my client's 2008 tax return which is the only tax return that he is in possession of or has been able to obtain. Obviously, if you need additional tax records, my client is more than willing to execute any authorization or form so that your company can obtain them directly from the IRS.

In addition to the above, enclosed you will find my client's financial records including Statements of Assets, Liabilities and Equity. In short, these are the only documents that my client has on this issue.

In regard to your request for credit card and debit card statements, be aware that my client does not use credit cards and the only debit card in his possession is reflected in the bank statements that are enclosed.

Finally, enclosed you will find a copy of my client's Sales Tax Returns that were filed with the State of Tennessee Department of Revenue.

In regard to copies of any leases relating to any business property, be aware that there are not any. In addition, be aware that my client does not have any contracts for suppliers or contractors that are not enclosed and my client does not have any documents or correspondence relating to the restaurant that my client's father put in his name. In short, these documents were located in the building that was burned and there are not any additional copies available.

In regard to any type of Employment Agreement or other documents with Eleiwa & Sons or Khaled Eleiwa, the only documents that are enclosed are invoices, the Power of Attorney, et cetera. In short, the relationship between Eleiwa & Sons and Mr. Eleiwa purely a business one with the exception of the Power of Attorney in that Mr. Eleiwa speaks better English and is better able to understand this situation.

Based upon the above, it is our position that my client has fully complied with your voluminous request for documents and other items in this matter. In short, these are all the documents that he has been able to obtain after diligent search and inquiry. Therefore, my client cannot obtain any additional documents or other information in this matter. Obviously, if you believe that there are additional documents that can be obtained elsewhere, as noted above, my client is ready, willing and able to execute a Release so that you can obtain these documents directly from whoever you wish to retrieve them from.

Based upon the above, we expect this claim to be paid pursuant to our previous correspondence. In addition, if you wish to take a sworn deposition or sworn statement from my client, please schedule that immediately at a convenient date and time with our office.

Apr-09-09 10:12am From-CIRCUIT COURT

9015453952

T-800 P.007/010 F-309

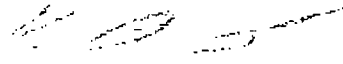
Snider
&
Horner

Mr. Dan L. Hoerchler c/o CNA
Page Three (3)
February 16, 2009

I look forward to hearing from you in writing at your earliest convenience.

Sincerely,

SNIDER & HORNER, PLLC



Kevin A. Snider
Attorney at Law

Enclosures

cc: Mr. Samir Alniswan

KAS/ale

Apr-03-09 10:12am From-CIRCUIT COURT

9015453952

T-600 P.008/D10 F-309



SWORN STATEMENT IN PROOF OF LOSS

\$ 900,000
 AMOUNT OF POLICY AT TIME OF LOSS
10-31-2008
 DATE ISSUED
10-31-2009
 DATE EXPIRES

Claim Number
 POLICY #
 AGENCY AT
 AGENT

To the Valley Forge Insurance Company of CHICAGO, ILLINOIS. At time of loss, by the above indicated policy of insurance you insured SAMIR ALNISWAN against loss by FIRE to the property described and according to the terms and conditions of the said policy and all forms, endorsements, transfers and assignments attached thereto.

1. Time and Origin: A FIRE loss occurred about the hour of 22:34, on the 31st day of Dec. 2008. The cause and origin of the said loss were: COMPLETE DESTRUCTION BY FIRE OF AN UNKNOWN ORIGIN
2. Occupancy: The building described, or containing the property described, was occupied at the time of the loss as follows, and for no other purpose whatever: BEAUTY SUPPLY & CELL PHONE RETAIL SALES OPERATION
3. Title and interest: At the time of loss the interest of your insured in the property described therein was 100%. No other person or persons had any interest therein or encumbrance thereon, except: INVENTORY ACCOUNTS PAYABLE OF \$534,297.40
4. Changes: Since the said policy was issued there has been no assignment thereof, or change of interest, use, occupancy, possession, location or exposure of the property described, except: NONE
5. Total Insurance: The total amount of insurance upon the property described by this policy was, at the time of the loss, 900,000, besides which there was no policy or other contract of insurance, written or oral, valid or invalid.
6. The Actual Cash Value of said property at the time of loss was \$ 932,364
7. The Whole Loss and Damage was \$ 932,364
8. The Amount Claimed under the above numbered policy is \$ 900,000

The said loss did NOT originate by any act, design or procurement on the part of the insured, or this affiant; nothing has been done by or with the privity or consent of the insured or this affiant, to violate the conditions of the policy, or render it void; no articles are mentioned herein or in annexed schedules but such as were destroyed or damaged at the time of said loss; no property saved, has in any manner been concealed, and no attempt to deceive the said company, as to the extent of said loss, has in any manner been made. In consideration of the payment made, the insured hereby subrogates and assigns the company to all rights, title and interest in and to the property for which claim is being made to the extent of such payment. Any other information that may be required will be furnished and considered a part of this proof.

The furnishing of this blank or the preparation of proofs by a representative of the above insurance company is not a waiver of any of its rights.

Warning

Any person who knowingly and with the intent to defraud any insurance company or other person files a statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.

State of TENNESSEE
 County of SHELBY

SAMIR ALNISWAN
 Individual Insured or Firm Name
[Signature] OWNER
 Authorized Signature and Title

Subscribed and sworn before me this 11th day of FEBRUARY 2009
Sandra J. White Notary Public

Apr-03-09 10:12am From-CIRCUIT COURT

9015453952

T-600 P.009/010 F-309

Exhibit

E

Apr-03-09 10:12am From-CIRCUIT COURT

9015453952

T-600 P.010/010 F-309

Snider & Horner

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Founding Attorney ^{1,2}

Gail W. Horner
Member Attorney ^{3,4}

Jessica Howard
Associate Attorney

Phillip D. Waddell
Of Counsel Attorney ¹

James Seth Waddell
Of Counsel Attorney ⁶

Christina Burdette, J.D., C.P.A.
Of Counsel Attorney ^{1,2,3}

Debbie M. Snider
Legal Administrator

Kevin A. Snider is a member of the Tennessee State Bar, the American Bar Association, and the Tennessee Trial Lawyers Association. He is also a past president of the Tennessee Trial Lawyers Association. Gail W. Horner is a member of the Tennessee State Bar, the American Bar Association, and the Tennessee Trial Lawyers Association. She is also a past president of the Tennessee Trial Lawyers Association. Jessica Howard is a member of the Tennessee State Bar, the American Bar Association, and the Tennessee Trial Lawyers Association. Phillip D. Waddell is a member of the Tennessee State Bar, the American Bar Association, and the Tennessee Trial Lawyers Association. James Seth Waddell is a member of the Tennessee State Bar, the American Bar Association, and the Tennessee Trial Lawyers Association. Christina Burdette is a member of the Tennessee State Bar, the American Bar Association, and the Tennessee Trial Lawyers Association. Debbie M. Snider is a member of the Tennessee State Bar, the American Bar Association, and the Tennessee Trial Lawyers Association.

March 12, 2009

VIA FACSIMILE & U.S. MAIL

Mr. Dan L. Hoerchler
c/o CNA
P.O. Box 8317
Chicago, IL 60680

COPY

RE: Samir Alniswan v. Valley Forge/CNA

Dear Mr. Hoerchler:

Thank you for finally responding to our letter of February 5, 2009. Naturally, it would have been nice if you could have responded quicker than six (6) weeks but that appears to be kind of the standard and delayed response that we continually receive from your company.

In addition, this letter will confirm that myself and my client, Mr. Samir Alniswan will be at Alpha Reporting Corporation located at 236 Adams Avenue in Memphis, Tennessee on Thursday, April 9, 2009 beginning at 9:00 a.m. to give his Examination Under Oath.

In addition to the above, while we understand your position that you are "continuing to investigate Mr. Alniswan's fire loss", we do dispute and disagree that the claims are not due and payable. Moreover, you have now had several months to complete your investigation into this matter and were put on the sixty (60) day notice pursuant to the bad faith insurance claim that we will most certainly be making back on January 16, 2009. Therefore, unless we receive a response from you on or before the sixty (60) day deadline, be aware that we will be filing suit in this matter next week. Obviously, we had certainly hoped to avoid having to file suit in this matter but your company's continued and obvious delay in this matter is inexcusable.

Finally, since you have not made any additional requests for other documentation or other items in this matter, we will assume you have everything you need to conclude your investigation in this matter immediately. Obviously, should you choose to avoid litigation in this matter by paying my client's claim, we will not pursue legal action. However, as noted above, unless this matter is fully resolved within the sixty (60) day time deadline as outlined in our letter of January 16, 2009, we will proceed forward with our legal options.

Sincerely,

SNIDER & HORNER, PLLC

Kevin A. Snider
Attorney at Law

cc: Mr. Samir Alniswan

KAS/ale